

5/29/58

AIRTEL

TO: DIRECTOR, FBI (100-3-81)  
FROM: SAC, NEW YORK (100-8-624)  
CP, USA - INTERNATIONAL RELATIONS  
IS-C

On 5/27/58, NY CP4-C\* furnished SA [redacted]  
[redacted] with copies of the following documents, these  
having been made available by [redacted] at CP  
national office, in order that they might be transmitted to  
TIM DUCK, Head of the Labor Progressive Party of Canada (the CP  
of Canada);

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1. Program of the Popular Socialist Party(Cuba).  
A typed copy dated Havana, December, 1957.

2. Marxism, Humanism and Hyman Levy. A review by  
[redacted] member of the Political Committee of the Israeli  
CP, of HYMAN LEVY's book: "Jews and the National Question."

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Photostat copies of those documents have been  
made and retained as exhibits no 100-86624-1B257 and 1B258.  
The originals were returned to the informant.

Photostat copies are furnished the Bureau as enclosures.

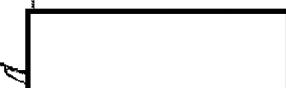
POWERS

3 - Bureau (100-3-81) {Encls 2} (RM)  
1 - New York (134-91) {INVEST} (RM)  
1 - New York (100-88934) [redacted] (12-12)  
1 - New York (100-8624) [redacted]

JW:mk  
(7)

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134-91-1337  
JW:mk



JW:mk

6-4

5/29/58

## PLAIN TEXT

A IN TIME

TO : DIRECTOR, FBI (100-3-81)  
 FROM : SAC, NEW YORK (100-86624)  
 SUBJECT: CP, USA,  
 INTERNATIONAL RELATIONS,  
 L-C

Re NYairtel, dated 5/7/58, captioned  
 as above, which set forth info that NY 694-8 received  
 from [REDACTED] that, for the previous two days, one  
 [REDACTED], a blond-haired Cuban of medium height, who  
 is a member of the Industrial Section, had been dictating  
 an English translation of the Cuban CP Program to her.

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On 5/27/58, NY 694-8 advised  
 SA [REDACTED] told him that  
 day that "WIEZ" was originally from Poland and had been  
 active in Latin-American Countries.

- 1- Bureau (100-3-81)
- 1- New York (134-91) (Investigative) (6) [REDACTED] (12-11)
- 1- New York (100-68934) [REDACTED] (12-14)
- 1- New York (100-106126) [REDACTED] of Industrial Section
- 1- New York (100-135719) [REDACTED] (7-2)
- 1- New York (100-9352) [REDACTED] (12-15)
- 1- New York (191-559) [REDACTED] (7-5)
- 1- New York (100-86624)

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b7cAMW:grs  
(11)

134-91-1338

SEARCHED	INDEXED
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MAY 29 1958	
FBI - NEW YORK	

[REDACTED]

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NY 100-5644

From the above description, [REDACTED] is undoubtedly [REDACTED] a member of the Industrial Section, whose height is 5'11", weight 160 pounds, and whose hair is sandy colored.

[REDACTED] but has spent most of his life in Latin and South American countries. His parents are currently in Buenos Aires, where they have resided for many years. [REDACTED] travels a great deal and has a foreign accent, which, along with his surname, probably accounts for [REDACTED] description that he is a Cuban originally from Poland.

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[REDACTED] was observed entering and/or leaving NY Headquarters, NYC, on 5/2 and 6/58.

[REDACTED] also told NY 494-ns on 5/27/58, that a meeting had been held (no date or place given), concerning the Cuban situation and the possibility of intervening in an affair at Carnegie Hall in behalf of [REDACTED] however, it was "frozen" that only [REDACTED] independent attorney, [REDACTED] spoke but neither [REDACTED] even showed up for it because of [REDACTED] commitments. The failure to get something going on the Cuban situation was blamed on the [REDACTED] people for not cooperating."

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[REDACTED] has not furnished any info on anything such as the above being held at CP Headquarters presently. However, this informant reported on 5/19/58,

NY 100-8882

that WILLIAM ALBERTSON, General Secretary of the NY State CP, at a House Board meeting held that date, complained about the general inaction of Party members and cited the fact that a committee on Comission, which had been set up to discuss developments in Cuba, had not reported to him or, to his knowledge, done anything about it.

[redacted] gave us A94-6 as an English language copy of the Cuban CP's report that [redacted] had translated for her. She said that it was not a good job of translation but the best that could be done under the circumstances. This translation has been compared with the Bureau's transcription and matched with bullet of 4/16/58, R.O., while they are different, they are undoubtedly translations of the same document.

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POWERS

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OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : SAC, NEW YORK (100-74560) DATE: 5/29/58  
FROM : SA [redacted] #7-5  
SUBJECT: CP, USA-FUNDS  
IS-C

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On 5/15/58, NY 694-S\* (protect), who has furnished reliable information in the past, advised SA [redacted] that on that date he conferred with ROBERT THOMPSON, CP, USA Organizational Secretary, who discussed the following matters:

According to THOMPSON, GEORGE BLAKE CHARNEY has returned to the CP only \$20,000.00 of \$80,000.00 he had been holding for the Party. With regard to the remaining \$60,000.00, CHARNEY attributed his inability to return these funds to "bad investments". THOMPSON stated that as far as he was concerned "CHARNEY has absconded with \$60,000."

THOMPSON stated that NY State CP "financial people", particularly BILL LAWRENCE, really "fouled up" the Party's funds.

- ① 1-New York (134-91) (P&C) (Inves) (6)  
1-New York (100-27452) (ROBERT THOMPSON) (7-5)  
1-New York (100-50806) (GEORGE CHARNEY) (7-6)  
1-New York (100-80641) (CP, USA Organization) (7-5)  
1-New York (100-128314) (NY State CP Funds) (7-5)  
1-New York (100-128861) (CP, USA Reserve Funds) (7-5)  
1-New York (100-467) (BILL LAWRENCE) (7-6)  
1-New York (100-132033) (23 West 26th Street Corp.) (7-5)  
1-New York (100-21121) (ALEXANDER TRACHTENBERG) (7-5)  
1-New York (100-70303) (12th-13th Realty Corp.) (7-1)  
1-New York (97-169) ("the Worker") (7-1)  
1-New York (100-21) ("Morning Freiheit") (7-1)  
1-New York (100-27582) (Cominfil UAW) (7-1)  
1-New York (100-47233) (Cominfil, UPWA) (7-1)  
1-New York (100-62506) (Cominfil Butchers) (7-1)  
1-New York (100-74560) (7-5)

ACB:img  
(16)

134-91-1339

SEARCHED	INDEXED
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MAY 30 1958	
FBI - NEW YORK	

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NY 100-74560

THOMPSON stated that when LAWRENCE resigned as NY State CP Treasurer, he turned over absolutely nothing to the Party.

THOMPSON mentioned that in 1956 the NY State CP bought a print shop which cost the Party \$55,000.00. This print shop was subsequently sold to the individual from whom it had been purchased for \$15,000.00. Likewise, a music shop that had been bought for \$20,000.00, later was sold for \$3,500.00. THOMPSON indicated that as a result of such financial operations on the part of people like BILL LAWRENCE and GEORGE CHARNEY, the CP National Office, and NY State CP have "absolutely nothing left".

THOMPSON stated that to his knowledge, the Party's only assets are its interest in the building where CP Headquarters, is now located (23 West 26th St., NYC) and those funds which ALEXANDER TRACHTENBERG is holding as a result of the sale of the Jefferson School Building. TRACHTENBERG has refused to surrender these funds to the Party. According to THOMPSON, the Party's interest in the building at 23 West 26th St. is valued at about \$30,000.00.

In reply to a question from NY 694-S\* as to whether or not the Party still has an interest in the former CP Headquarters building at 35 East 12th St., NYC. THOMPSON replied that three floors of this building are presently untenantanted, and that the Party for this reason is receiving no rental income from this building. THOMPSON said "The Worker" and the "Morning Freiheit" will soon move out from this building.

THOMPSON expressed the opinion that as a result of the current CP fund drive, the Party's financial situation should improve.

THOMPSON mentioned that he recently talked with five important "trade union people", who are former CP members, "having

NY 100-74560

signed Taft-Hartley Affidavits". One, he said, was from the "U.A.W.", another from "The Butchers", and two others were from "packing". These individuals, according to THOMPSON, agreed to work closely with the CP, and to cooperate with the Party in every way possible. THOMPSON said that these persons left the Party in 1952. NY 694-S\* noted that THOMPSON did not indicate the union affiliation of the fifth individual

6/5

OFFICE MEMORANDUM . UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-3) Date: 5/29/58.

FROM : SAC, NEW YORK (100-4931)

SUBJECT: CP USA  
IS-C

On 5/16/58, NY 694-S\* advised SA [redacted] of the following information obtained from ROBERT THOMPSON, National Organization Secretary of CP, USA:

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- 2 - Bureau (100-3) (RM)
- 1 - Chicago (100- ) (FRED FINE) (RM)
- 1 - Chicago (100- ) (CP, USA-ILLINOIS DISTRICT FACTIONALISM) (RM)
- 1 - Chicago (100- ) (CP, USA - ILLINOIS DISTRICT NEGRO QUESTION) (RM)
- 1 - Los Angeles (100- ) (DOROTHY HEALEY) (RM)
- 1 - Los Angeles (100- ) (CP, USA ORGANIZATION) (RM)
- 1 - Portland (100- ) (CP, USA ORGANIZATION) (RM)
- 1 - San Diego (100- ) (CP, USA ORGANIZATION) (RM)
- 1 - San Francisco (100- ) (CP, USA ORGANIZATION) (RM)
- 1 - Seattle (100- ) (CP, USA ORGANIZATION) (RM)
- 1 - New York (100-23825) (BENJAMIN J. DAVIS) (7-5)
- 1 - New York (100-8057) (EUGENE DENNIS) (7-5)
- 1 - New York (100-1696) (ELIZABETH GURLEY FLYNN) (7-5)
- 1 - New York (100-27452) (ROBERT G. THOMPSON) (7-5)
- 1 - New York (100-89691) (CP, USA - DOMESTIC ADMINISTRATION ISSUES) (7-5)
- 1 - New York (100-87211) (CP, USA FACTIONALISM) (7-5)
- 1 - New York (100-80638) (CP, USA MEMBERSHIP) (7-5)
- 1 - New York (100-80641) (CP, USA ORGANIZATION) (7-5)
- 1 - New York (100-80644) (CP, USA YOUTH MATTERS) (7-5)
- ① - New York (134-91) (INVEST) (6)
- 1 - New York (100-4931)

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(22)

134-91-1340

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 1 1958	
FBI - NEW YORK	

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NY 100-4931

THOMPSON stated on 5/16/58, that the West Coast CP conference is scheduled for an as yet undetermined date in September, 1958, and that ELIZABETH GURLEY FLYNN, will not return from the West Coast until June 1, 1958.

Regarding May Day meetings, THOMPSON said that the CP is pleased by the fact that for the first time in a long time those attending May Day meetings were not predominately "the older people". The Party has received reports that very many of these people were in the age group under 35. The total number of persons attending May Day meetings in the USA was estimated to be about 6000.

With respect to defections from the CP, THOMPSON expressed the opinion that "the worst is over". He said that there is "some recruitment of members", and that "some people are moving closer to the Party".

The "Ultra-Left", THOMPSON stated, harasses the Party in different ways in different parts of the country. In New York, their target is BENJAMIN J. DAVIS JR, whom they accuse of being "too conciliatory toward the "Right", "too bureaucratic", and "bourgeois" in that he lacks "a working-class background". In Chicago, they are attempting to "capture" the Negro sections, and on the West Coast they are attacking DOROTHY HEALEY as a dangerous "Right-Winger".

The latest "Right-Wing" attack was directed against EUGENE DENNIS. FRED FINE wrote a letter to DENNIS, which is a vicious denunciation of the latter. DENNIS as is characteristic of him, "wilted" and lacked the spirit "to fight back".

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5/29/58

AIRTEL

TO: DIRECTOR, FBI (100-3-63)  
FROM: SAC, NEW YORK (100-74560)  
CP, USA, FUNDS  
IS-C

NY 694-S\* advised SA [redacted] on 5/29/58  
that in a conference on 5/28/58 with ROBERT THOMPSON, CP, USA  
Organizational Secretary, the latter told him the following:

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As a result of "an arrangement with the Government"  
THOMPSON received a reassignment of \$25,000 worth of the \$30,000  
in bonds he had posted as bail. THOMPSON cashed a \$5,000 bond  
giving \$2,500 to BILL ALBERTSON to hold for the NY State CP, and  
retaining \$2,500 for the use of the CP National Office. THOMPSON  
also gave ALBERTSON \$10,000 in bonds to hold for the benefit of  
the NY State CP.

According to the informant, THOMPSON then gave to  
NY 694-S\* \$10,000 in bonds which the latter is to cash, said  
cash to be placed in a safe deposit box and to be given to  
THOMPSON upon demand therefor. THOMPSON said he would ask for  
the money "in dribs and drabs".

NY 694-S\* advised that he intends to rent a safe deposit  
box at the Amalgamated Bank and to place therein the cash  
equivalent of the \$10,000 in bonds given him by THOMPSON.

POWERS

- 3 - Bureau (100-3-63) (RM)  
1 - New York (134-91) (INVESTIGATIVE) (#3)  
1 - New York (100-27452) (ROBERT THOMPSON) (#7-5)  
1 - New York (100-129029) (WILLIAM ALBERTSON) (#7-6)  
1 - New York (100-128314) (CP, USA, DISTRICT 2, FUNDS) (#7-6)  
1 - New York (100-128851) (CP, USA, RESERVE FUND) (#7-5)  
1 - New York (100-74560)

134-91-1341

AWM:imcl (#7-5)  
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## OFFICE MEMORANDUM

\* UNITED STATES GOVERNMENT

TO: DIRECTOR, FBI (100-3-94)

FROM: SAC, NEW YORK (100-96985)

SUBJECT: CP, USA- UNDERGROUND OPERATIONS  
IS-C

DATE: 6/2/58

Remyairtel, 5/23/58.

On 6/2/58, NY 694-S furnished SA [redacted]  
[redacted] with the following information concerning the CP  
underground, obtained from JAMES JACKSON, CP Secretary in Charge  
of Negro Affairs:

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GIL GREEN's book, "The Enemy Forgotten" is a good reflection of the thinking of those CP functionaries who worked in the underground. Although GREEN is nominally the author of the book, in many instances he merely rephrased the writings of others. For example, the section of the book referring to the Negro situation was written originally by JACKSON and HENRY WINSTON, and was rephrased by GIL GREEN after discussion with JACKSON, WINSTON and "others."

With respect to jurisdiction in the CP underground, BOB THOMPSON was in charge of the East; GIL GREEN and HENRY WINSTON, the Mid-West; SID STEIN, the West; and JAMES JACKSON, the South. Liaison between "the Eastern group" and "the open legal center" (National Office) was [redacted] performed the same function as regards "the West" and "the open legal center."

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- 2 - Bureau (100-3-94) (RM)
- 2 - Chicago (100- ) (CP, USA-UNDERGROUND OPERATIONS) (RM)  
(1-100- ) (GIL GREEN)
- 3 - San Francisco (100- ) (CP, USA-UNDERGROUND OPERATIONS) (RM)  
(1-100- )  
(1-100- ) (WILLIAM SCHNEIDERMAN)
- 1 - New York (100-34032) [redacted] (#12-11)
- 1 - New York (100-80641) (CP, USA-ORGANIZATION) (#7-5)
- 1 - New York (100-80640) (NEGRO QUESTION) (#7-5)
- 1 - New York (100-16785) (JAMES JACKSON) (#7-5)
- 1 - New York (100-28609) [redacted] (#12-11)
- 1 - New York (100-131666) (SOUTHERN REGION) (#7-5)
- 1 - New York (100-50090) (SID STEIN) (#7-5)
- 1 - New York (100-27452) (BOB THOMPSON) (#7-5)
- 1 - New York (100-269) (HENRY WINSTON) (#7-5)
- 1 - New York (100-96985) (INVESTIGATION) (#6)
- 1 - New York (100-96985)

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MAY 23 1958	

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134-91-13422-W

NY 100-96985

THOMPSON's arrest in the West was "an accident." At a meeting of "the underground secretariat," THOMPSON had been delegated to represent the secretariat at a regional West Coast underground conference. That explained his presence in the West when he was arrested.

The underground operations of the West had been poorly organized, the reason being that the decision to go underground had been a minority decision which WILLIAM SCHNEIDERMAN had opposed and fought. SCHNEIDERMAN didn't go underground, and it was not until the California leadership was arrested that the West decided to go underground, which they did in only half-hearted fashion.

Referring to his current CP operation as CP Secretary in Charge of Negro Affairs, JACKSON stated that [redacted] roving reporter for the "National Guardian," is his "contact man" in the South.

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SAC, NEW YORK (100-467)

6/3/58

SA [redacted]

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WILLIAM LAZAR, wa.,  
Bill Lawrence  
IS-C

Source NY 694-S\* (protect)

Reliability Who has furnished reliable information in the past.

Date of Activity 5/23/58

Date Received 5/23/58

Received By SA [redacted]

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NY 694-S advised that on 5/23/58, the captioned subject told him the following:

LAWRENCE is no longer a NY State CP functionagr, but still remains a member of the CP. When he resigned as treasurer, he was in possession of no funds to transfer to the Party. In fact he personally has to repay a loan of \$5000.00 which he had negotiated in behalf of the NY State CP.

[redacted] was in a similar situation upon his resignation as director of the NY State CP Cultural work. He had no funds no transfer to the Party. Whereas in the past "hundreds of Broadway actors and actresses" were members of the CP Cultural Division, today there are only seven. (LAWRENCE did not identify any of these individuals).

LAWRENCE currently is interested in establishing a personal business, and is contemplating the purchase of a Cleaning and Dyeing establishment on 33rd St., NYC. He believes he can negotiate a loan for the purchase of this business.

- 1- New York (134-91)(P&C) (INVES) 6  
1- New York (100-80374)(COMINFIL-RADIO, TELEVISION) 7-1  
1- New York (100-128814)(CP USA-DISTRICT 2- Funds) 7-5  
1- New York (100-128817)(CPUSA -DISTRICT 2- Membership)  
1- New York (100-128824)(CPUSA - DISTRICT 2 - Cultural Activities)  
1- New York (100-128814)(CP USA - DISTRICT 2 - Organization) 7-5  
1- New York (100-467) [redacted]

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6-11

FBI Date: 6/4/58

Transmit the following in PLAIN TEXT  
 (Type in plain text or code)

Via AIRTEL (Priority or Method of Mailing)

TO : DIRECTOR, FBI (100-3-88)  
 FROM: SAC, NEW YORK (100-87211)  
 CP, USA - FACTIONALISM  
 IS - C

On 6/4/58, NY 694-S advised SA [redacted] that b6 b7C  
 on the previous day he had conferred with JAMES JACKSON, CP, USA.  
 Secretary in charge of Negro Affairs, who discussed the following:

- 3 - Bureau (100-3-88) (RM)
- 10 - Chicago (100- [redacted]) (RM)
  - { 1- 100- [redacted] }
  - { 1- 100-18001 } (FRED FINE)
  - { 1- 100- [redacted] } (GIL GREEN)
  - { 1- 100- [redacted] }
  - { 1- 100- [redacted] }
  - { 1- 100-2748 ) [redacted]
  - { 1- 61-867 ) (CLAUDE LIGHTFOOT)
  - { 1- 100-2749 ) [redacted]
  - { 1- 100-18963 ) (CP, USA-ILLINOIS DISTRICT-FACTIONALISM)
- 2 - Los Angeles (100- [redacted]) (DOROTHY HEALEY) (RM)
  - (1 - 100- [redacted]) (CP, USA-SOUTHERN CALIFORNIA DISTRICT-NEGRO QUESTION)
- 1 - Newark (100-2974) [redacted] (RM)
- 1 - Philadelphia (100- [redacted]) (CP, USA-EASTERN PENNSYLVANIA and b6 b7C  
 DELAWARE DISTRICT-NEGRO QUESTION) (RM)
- 1 - New York (100-50806) (GEORGE BLAKE CHARNEY) (7-6)
- 1 - New York (100- [redacted]) (HARRY HAYWOOD)
- 1 - New York (100-16785) (JAMES E. JACKSON) (7-5)
- 1 - New York (100-467) (WILLIAM LAWRENCE) (7-6)
- 1 - New York (100-13336) [redacted] (12-15)
- 1 - New York (100-87211)

COPIES CONT'D NEXT PAGE

JWW:ams  
(34)

134-91-1344

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 4 1958	
FBI - NEW YORK	

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FBI

Date:

Transmit the following in PLAIN TEXT  
(Type in plain text or code)  
Via AIRTEL  
(Priority or Method of Mailing)

NY 100-87211

The CP national leadership feels that the current attempt by the Chicago CP to expel or suspend 14 members of the South Side Section is "ill-advised, poorly timed, and a premature political action." The CP national leaders believe that "dirty politics" may be involved - that the "right-wing" may have instigated this situation in the Chicago Party. If so, it is regarded as "a clever move" on the part of the "right wing."

If such expulsions or suspensions should be effected, the rank and file "will never understand the situation," particularly since heretofore no such action has been taken against "right wing" groups. It is a deplorable fact that people like FRED FINE, SID STEIN, and GEORGE BLAKE CHARNEY, who are constantly scheming to disrupt the Party, are nevertheless still members of the National Committee.

[redacted] two of the seven Negroes  
and four whites facing expulsion or suspension in Chicago, are  
"showering" the Bedford-Stuyvesant section in Brooklyn with phone

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COPIES CONT'D

- 1 - New York {100-50090} (SID STEIN) (7-5)
- 1 - New York {100-18672} (MAX WEISS) (7-6)
- 1 - New York {100-80638} (CP, USA-MEMBERSHIP) (7-5)
- 1 - New York {100-80640} (CP, USA-NEGRO QUESTION) (7-5)
- 1 - New York {100-131666} (CP, USA-SOUTHERN REGION) (7-5)
- 1 - New York {100-128314} (CP, USA-NY DISTRICT-FUNDS) (7-6)
- 1 - New York {100-26603-C43} (CP, USA-NY DISTRICT-KINGS COUNTY) (12-11)
- 1 - New York {100-128815} (CP, USA-NY DISTRICT-NEGRO QUESTION) (7-6)
- 1 - New York {100-26603-C42} (CP, USA-NY DISTRICT-NY COUNTY) (12-14)
- 1 - New York {134-91} (INVEST) (6)

FBI

Date:

Transmit the following in \_\_\_\_\_  
(Type in plain text or code)  
Via \_\_\_\_\_  
(Priority, or Method of Mailing)

NY 100-87211

calls, and "really stirring things up" in Harlem. They are attempting to make a national issue of the proposed Chicago expulsions or suspensions. As a result, the situation is "tense."

Although the expulsion or suspension proceedings were instigated by the Chicago leadership consisting of CLAUDE LIGHTFOOT, [REDACTED] the Negro rank and file of the Party seem to think that the current Chicago "purge" is merely a continuation of a purge LIGHTFOOT effected in the Harlem Section some time ago. The Chicago expulsions or suspensions are causing trouble not only among the Negro CP members in Chicago and New York but also among those in Philadelphia and Los Angeles.

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To offset the damage of the CP caused by the Chicago CP, the national leadership, before or at the next National Committee meeting, will "strive" to prefer charges against, and seek the expulsion of, the "right wing" group consisting of SID STEIN, FRED FINE, GEORGE BLAKE CHARNEY, [REDACTED] and DOROTHY HEALEY, and also the "ultra-left" group consisting of [REDACTED] HARRY HAYWOOD, [REDACTED]. By such "two-pronged" action, the Party will rid itself of these dangerous individuals in "the extreme groups."

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In reply to a question from NY 694-S, JACKSON stated that in his opinion there are now only about 500 Negroes in the Party nationally. He remarked that "these, however, are good ones."

Referring to GIL GREEN, JACKSON told NY 694-S that while in the CP underground, GREEN wrote article for "Political Affairs" under the pen name JONATHAN SWIFT.

FBI

Date:

Transmit the following in \_\_\_\_\_  
(Type in plain text or code)

Via \_\_\_\_\_  
(Priority or Method of Mailing)

NY 100-87211

MAX WEISS, he said, operated in the CP underground under the name "ROTMAN" (ph) (NY 694-S stated that at time JACKSON mumbles, and he is not sure whether JACKSON said ROTMAN, ROTHMAN, or RATMAN).

JACKSON mentioned also that last week GEORGE BLAKE CHARNEY returned \$8000.00 more of the money he owes the Party. Of this sum, \$4500.00 was used to pay a NY State CP debt for which BILL LAWRENCE (WILLIAM LAZAR), formerly NY State CP Treasurer, was being held personally responsible by the creditor. The balance of the \$8000.00 was given to the NY State CP.

JACKSON, who had been late in keeping his appointment with NY 694-S, apologized to the informant, and attributed his being late to the fact that he had been delayed by "a couple of Southern delegations" with whom he had been conferring.

POWERS

6/3/60

~~AMENDED~~

**TO:** DIRECTOR, FBI (100-3-103)  
**FROM:** SAs, NEW YORK (100-129174)  
**CP, USA, COVER COMPANIES (ANTIQUER SHOP)**  
**ISAC**

NY 694-3\* advised on 6/3/60 that on the previous day he conferred with ROBERT THOMPSON, CP, USA Organizational Secretary, and with MARY KAUFMAN, CP Attorney who represents IRVING POTASH, former CP, USA Functionary now completing a prison sentence at Atlanta Penitentiary. KAUFMAN informed NY 694-3\* that POTASH would be free on or about August 16th, 1958, and that NY 694-3\* should be prepared to give her before that date whatever of POTASH's possessions are now in the informant's custody. According to the informant, although nothing specifically was said in reference to his previous association with POTASH, KAUFMAN and THOMPSON acted as if they were aware of the informant's activities in relation to POTASH, and purposefully avoided any mention thereof.

THOMPSON and KAUFMAN mentioned that in view of POTASH's expected release from prison, they were interested in

3 - Boston (100-3-103)(AM)
1 - New York (100-27452) (ROBERT THOMPSON) (V-1)
1 - New York (100-5-29) (MARY KAUFMAN) (V12-15)
1 - New York 100-48033 (IRVING POTASH) (V7-1)
1 - New York 100-34279 (WILLIAM PATTERSON) (V7-1)
1 - New York 100-58757 (DAVID PRISTON) (V11-1)
1 - New York 100-96778 (VIRGINIA FRANK COX)
1 - New York 134-91 (INVEST.) (V-1)
1 - New York (100-129174)

~~AMENDED~~  
(12)

134-91-1345

SEARCHED	INDEXED
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JUN 5 1958	
FBI - NEW YORK	

OCB

b6  
b7c

NY 100-122174

reviving "the antique shop business" which, owing to POPASH's interpretation, "bogged down." Again, THOMAS and SAUERMAN assumed NY 694-S\* was fully familiar with this operation, and made no attempt to discuss it in detail with the informant. They requested that NY 694-S\* be alert to find sources who would be free to travel in connection with this operation.

THOMAS and SAUERMAN then informed NY 694-S\* that they are interested in setting up, in behalf of the CP, an export-import business, about which they would talk more in detail on a later occasion. As yet they have no particular plans in this regard. They advised that WILLIAM PATTERSON, member of "The Carter" and [REDACTED] (RE.), the lawyer [REDACTED] were interested in this proposed export-import business. PATTERSON, they said, has connections with the Russians, and is capable of interesting Soviet attorneys in the proposed import-export business.

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b7C

NY 694-S\* asked THOMAS and SAUERMAN whether they were aware of the fact that FALIN CO. (VIRGINIA FRANK CO. Bufile 100-35447) and associates currently were attempting to set up a similar enterprise. THOMAS and SAUERMAN professed not to know about FALIN's operation, and remarked that since eventually there will be trade, there is plenty of room for everybody."

SAUERMAN stated that her present income is insufficient for her needs, and that she would welcome an opportunity to earn more money. She said that her activity in connection with an export-import business should assure her of additional income.

NY 100-129174

THOMPSON and KARPINSKI stated they would discuss  
again with NY 694-S\* the matters mentioned above.

Extreme caution should be exercised in disseminating  
the above information which, by its nature, tends to identify  
NY 694-S\* as the source thereof.

POMERLEAU

6/5/58

PLAIN TEXT

AIR-TEL

TO : DIRECTOR, FBI (100-3-69)  
FROM : SAC, NEW YORK (100-80641)  
SUBJECT: CP, USA - ORGANIZATION  
IS-C

CINAL

On 6/5/58, NY 694-S advised SA [redacted] b6  
that on the aforesaid date [redacted] b7C  
Headquarters, told him the following:

Not only "The Worker" editorial staff, but also  
the Jefferson Book Shop, 100-16 St., NYC, will be moved  
to the building at 23 West 26th Street on the week-end  
of 6/7th and 8th.

While in Chicago recently to attend the CP  
Mid-West Conference, EUGENE DENNIS conferred with CARL  
WINTER and CLAUDE LIGHTFOOT, and obtained their consent  
to becoming members of the National Executive Committee.

As presently planned, there will be National  
Executive Committee meeting of no more than one day's  
duration before the National Committee meeting scheduled  
for 6/28/58.

POWERS

- 3- Bureau (100-3-69)
- 2- Chicago (100- ) (CP, USA - Organization)  
((1-61-867) (CLAUDE LIGHTFOOT))
- 2- Detroit (100-2050) (CP, USA - Organization)  
((1-100-13420) (CARL WINTER))
- ② NY 134-91 (invest) (6)
- 1- NY 97-169 ("The Worker") (7-1)
- 1- NY 100-8057 (EUGENE DAVIS) (7-5)
- 1- NY 100-68934 [redacted] (12-12)
- 1- NY 100-84280 (Jefferson Bookshop) (7-1)
- 1- NY 100-80641

JVN:cem  
(14)

134-91-1346

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[Redacted stamp area]

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b7C

Date: 6/10/58

AIRTEL

TO : DIRECTOR, FBI (100-3-81)  
 FROM : SAC, NEW YORK (100-86624)  
 SUBJECT: COMMUNIST PARTY, USA  
 INTERNATIONAL RELATIONS  
 IS - C

On 6/6/58, NY-694-S\* furnished SA [redacted]  
 [redacted] with copies of the following documents,  
 these having been made available by JAMES E. JACKSON,  
 CP - USA Secretary in Charge of Negro Affairs, in order  
 that they might be transmitted to TIM BUCK, head of the  
 Labor Progressive Party of Canada (the CP of Canada):

b6  
b7C

1. "Comments on J.A.'s Program Report and Proposals," by ALEXANDER BITTELMAN, dated May 23, 1958, disputing [redacted] who made an Initial Report on Basic Program to the CP National Executive Committee on behalf of the CP Program Committee.
2. Letter to members of Program Committee, dated June 3, 1958, from ROBERT THOMPSON, asserting that his report of NEC action on the Initial

3 - Bureau (100-3-81) (Encs. 3) (RM)  
 1 - New York 134-91 (Inves.) (#6)  
 1 - New York 100-32826 [redacted] (7-1)  
 1 - New York 100-20128 (ALEXANDER BITTELMAN) (7-4)  
 1 - New York 100-13473 (SIMON W. GERSON) (7-5)  
 1 - New York 100-16785 (JAMES E. JACKSON) (7-5)  
 1 - New York 100-13203 [redacted] (7-1)  
 1 - New York 100-80641 (CP USA-ORGANIZATION) (7-5)  
 1 - New York 100-27452 (ROBERT THOMPSON) (7-5)  
 1 - New York 100-86624

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b7C

JWV:mms  
(33)

~~Supt. J. J. Keayney~~

134-91-1347

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[redacted]	

✓ *[Signature]* ✓

WB

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Report on Basic Program had been accurately reported, and noting, that [redacted]

[redacted] of the Draft Program Committee. It is also said that the NEC agreement that the Initial Report provides a basis for work on a program does not infringe the right of the Program Committee to establish its own position.

3. Letter to members of Program Committee, dated June 3, 1958, from [redacted] of the Draft Program Committee, enclosing copies of items 1 and 2 above, informing that a preliminary meeting of resident members was held May 28 attended by [redacted] BITELMAN, SIMON W. GERSON, JAMES E. JACKSON and [redacted]. Thereat it was decided to hold another meeting with maximum attendance on June 11, 1958 at 7:00 P.M. Nonresident members were invited to comment on program report, indicate the area of program they would like to work in and make any suggestions with respect to the Committee's work.

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The original copies were returned to the informant while Photostats have been retained by the NYO as exhibits 100-86624-1B260, 1B261, 1B262.

Photostats of the above are enclosed for the Bureau.

6/10/58

PLAIN TEXT

AIRTEL

TO: DIRECTOR, FBI (61-3017)  
FROM: SAC, NEW YORK (100-83645)  
SUBJECT: COMINFIL - INTERNATIONAL TYPOGRAPHISTS  
UNION  
IS-C

NY 604-S\* advised SA [redacted] on 6/4/58 that [redacted] an employee of the NY "Daily News" is the leader of all CP groups in the United States in the International Typographers Union, also known as [redacted]. Nationally, [redacted] told the informant there are 65 CP members in the said union, of whom 45 are in NYC.

[redacted] also told the informant that the Union would hold a convention in San Francisco in August, 1958, and in connection with this convention [redacted] was anxious to ascertain if there were CP members of the Union in Canada, and if so, whether they intended to attend the convention in San Francisco. [redacted] suggested that the informant discuss this matter with TIM DUCK, the Canadian CP leader, next time the informant went to Canada. In the event there should be any Canadian CP members who plan to attend the convention as delegates, [redacted] wanted to consult with them before the convention.

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The above is submitted for the information of the Bureau and San Francisco.

POWERS

3 - New York (61-3017) (RM)  
1 - San Francisco (Info) (RM)  
(1) - New York (134-91) (P&C) (Inv.) (6)  
1 - New York (100-83645)

MPL:ESC  
(7)

1 - Supervisor B. J. CONNELL, 7-1

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SEARCHED.....	INDEXED.....
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PCB	

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6-16

DIRECTOR, FBI (61-2115)

6/11/58

SAC, NEW YORK (100-21421)

ALEXANDER TRACHTENBERG  
IS-C

Re NY airtel, 5/3/58, and NYlet, 5/14/58, reflecting arrangements whereby \$2000.00 in cash was furnished to NY 694-S\* to be exchanged for a similar amount in TRACHTENBERG's possession.

On 5/21/58, NY 694-S\* received an additional \$2000.00 cash from TRACHTENBERG which the latter requested NY 694-S\* to exchange for him. ASAC NORMAN H. MC CABE telephoned Inspector [redacted] of the Bureau and obtained authority to withdraw \$2000.00 from the NYO confidential fund for this purpose.

On 5/21/58, \$2000.00 in \$20.00 dollar bills was withdrawn and given to SA [redacted] for transmittal to NY 694-S\*.

The \$2000.00 received by NY 694-S\* from TRACHTENBERG consisted of 19 \$100 dollar bills and 2 \$50.00 dollar bills. The serial numbers of these bills were checked against a list of serial numbers of bills issued to the Soviet establishments in NYC and Washington, D.C., and none of the numbers matched. This money has been returned to the confidential fund.

A record of the serial numbers of all bills involved in the exchange is being retained in TRACHTENBERG's file.

2-Bureau (61-2115) (RM)  
1-New York (134-91) (P&C) (Inver.) (#6)  
1-New York (100-21421)

cas:jac  
(4)

134-91-1349

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[redacted]	

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b7c  
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1/2  
6/11/58

SAC, NEW YORK (100-9368)

SA [redacted]

#6

b6  
b7C

WILLIAM Z. FOSTER  
IS-C

Source  
Reliability

NY 694-S\* (protect)  
Who has furnished  
reliable information in the  
past

Date of Activity

6/3/58

Date Received

6/4/58

Received by

SA [redacted]

[redacted] On 6/4/58, NY 694-S\* advised that according to CP, USA Reserve Fund functionary, WILLIAM Z. FOSTER will spend the coming summer at the same Mohegan Lake cottage which he has rented on previous summer vacations.

If he is able to purchase one that is suitable, FOSTER will move to a new house in September, 1958.

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b7C

1 - NY (100-21785) [redacted] (#6)  
D - NY (134-91) (P & C) (INDEXED) (#6)  
1 - NY (100-9368) (7-5)

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(3)

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[redacted]	

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6/17

SAC, NEW YORK (100-21785)

6/12/58

SA [redacted]

# 6

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b7c

[redacted] was.

JS-R, ISA '50

On 6/3/58, NY 694-S\* advised SA [redacted] that the subject would have lunch with ISIDORE G. NEEDLEMAN that afternoon, after which he would visit the Rumanian UN Delegation headquarters.

Follow-up by SAS [redacted] in vicinity of 165 Broadway determined that NEEDLEMAN met another individual that date for lunch at 12:30 p.m., [redacted] was not present.

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At 3:10 p.m. [redacted] was observed to enter the Rumanian UN headquarters, on East 93rd St., NYC. He left at 3:31 p.m. and entered his residence, 41 W. 82nd St., NYC at 3:58 p.m.

It is noted that NY 694-S\* further advised SA [redacted] that [redacted] has been authorized by the Rumanians to build 3 rooms at the UN delegation headquarters. He will act as the contractor and sub-contract the actual work.

- ✓ New York (134-91) (Inv.) #6  
1-New York (100-78633) #6  
1-New York (100-62751) #12-16  
1-New York (100-21785)

EJM:jac  
(4)

134-91-1351

SEARCHED	INDEXED
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[Redacted]	

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DAB

SAC, NEW YORK (100-80641)

6/13/58

SA [redacted]

b6  
b7C

CP, USA ORGANIZATION  
IS-C

Source

NY 694-S\* (protect)

Reliability

Who has furnished reliable information in the past.

Date of Activity

6/4/58

Date Received

6/5/58

Received By

SA [redacted]

b6  
b7C

NY 694-S\* advised on 6/5/58, that in a discussion on the previous day with [redacted] of the CP, USA Program Committee, the latter stated that the next Program Committee meeting is scheduled for 6/11/58. At this meeting there will be a discussion of a memorandum written by ALEXANDER BITTELMAN, member of the Committee, regarding the necessity of including in the CP program "the period of the welfare state". According to [redacted] all members of the Program Committee, except BITTELMAN, are opposed to "the period of the welfare state" as part of the CP program.

- 1- New York (134-91)(P&C) (INVEST) 6
- 1- New York (100-32826) [redacted] 7-1
- 1- New York (100-41932) (ALEXANDER BITTELMAN) 7-5
- 1- New York (100-80641) 7-5

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ACB [initials]

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L-76

OFFICE MEMORANDUM . UNITED STATES GOVERNMENT

TO: SAC, CHICAGO (100-17769)

FROM: SAC, NEW YORK (100-74560)

SUBJECT: CP, USA-FUNDS  
IS-C

DATE: 6/23/58.

On 5/23/58, NY 694-S\* reported that he had conferred on the previous day with ROBERT THOMPSON, CP, USA Organizational Secretary, who advised the informant as follows:

EUGENE DENNIS will attend the CP, USA midwest conference to be held in Chicago on the week-end of May 24th and 25th, 1958. While in Chicago, DENNIS will talk to CARL WINTER and HELEN WINTER, to determine finally whether they are willing to accept Party posts in NYC. CARL WINTER has been offered the position of editor of "The Worker," and HELEN WINTER has been offered the position of administrative secretary-treasurer of the CP National Office, the post recently vacated by [redacted]

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THOMPSON, because of illness, was unable to attend the recent East Coast CP conference. In evaluating the said conference, the CP leadership concluded that the conference had been "positive" rather than "negative" in that it reflected "a trend toward work." What was particularly noteworthy was that many new and active people attended the conference.

2-Chicago (100-17769)(RM)  
(1-100- )(CP, USA FUNDS)  
(1-100- )(CP, USA-ORGANIZATION)  
1-Baltimore (100- )(CP, USA MEMBERSHIP)(RM)  
1-Cleveland (100- )(HY LUMER)(RM)  
2-Detroit (RM)  
(1-100- )(HELEN WINTER)  
(1-100- )(CARL WINTER)  
1-Newark (100- )(CP, USA MEMBERSHIP)(RM)  
1-New York (134-91 P&C (INVEST)(6)  
1-New York (100-27452) (ROBERT THOMPSON)(7-5)  
1-New York (100-8057) (EUGENE DENNIS)(7-5)  
1-New York (97-169) ("THE WORKER") (7-1)  
1-New York (100-80641) (CP, USA-ORGANIZATION)(7-5)  
1-New York (100-80638) (CP, USA MEMBERSHIP)(7-5)  
1-New York (100-50806) (GEORGE B. CHARNEY)(7-6)  
1-New York (100-128813) (CP, USA PAMPHLETS & PUBLICATIONS)(7-5)  
1-New York (100-19679) (ISADORE WOFSY)(7-5)  
1-New York (100-21) (MORNING FREELIBIT)(7-1)  
1-New York (100-82522) [redacted] (12-14)  
1-New York (100-128314) (7-5)  
1-New York (100-128314) (7-5)  
1-New York (100-74560) (7-5)

134-91-1353

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(28)

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NY 100-74560

What also was interesting and encouraging was that, according to reports from the New Jersey and Baltimore districts, a number of people who had left the Party during the past five years recently rejoined. Though these people were comparatively few in numbers, their return to the Party is an indication that mass resignations from the Party have ceased, and that the return to the Party of many who had resigned may be anticipated.

THOMPSON is determined that mistakes made in the past with respect to CP finances shall not be repeated. Pursuant to an agreement, to be effective immediately, between the NY State CP leadership and THOMPSON representing the national leadership, funds of the NY State CP and the National office will become "a sustaining fund" controlled by "a treasurer and a committee." This "sustaining fund" will not include the Reserve Fund, which at the moment is non-existent. If, and when, there is any money in the CP Reserve Fund, THOMPSON would like NY 694-S to control such funds, and "to advise the others engaged in the Reserve Fund operation."

To date, the National office has received only four hundred dollars as its share of the money from the current national fund drive. Most of the CP districts have not as yet begun to collect for the said drive.

GEORGE BLAKE CHARNEY has returned only \$22,000.00 of the \$80,000, in CP funds which he has been holding, and [redacted] [redacted] has returned none of the \$25,000.00 in Party money which he has. THOMPSON is of the opinion that CHARNEY [redacted] will retain this money for the use of the "Right-Wing" group of which they are members. This group, which, nationwide, consists of between three hundred and four hundred members, still have not reached agreement concerning what their political line should be.

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The CP has received a request from "Marxist Review," that THOMPSON write an article on "Revisionism in the USA" and that HY LUMER write an article on "The Economic Situation in the USA." These articles will be written. THOMPSON identified "Marxist Review", as "that new periodical published on the other side."

NY 694-S also conferred on 5/23/58, with ISIDORE WOFSY, who has been active in the CP Reserve Fund as contact with donors.

NY 100-74560

WOFSY was disturbed because he does not believe he will be able to retire from the Reserve Fund operation in June, 1958, as he had planned, and as EUGENE DENNIS had agreed that he might do. The difficulty is that as yet the Party has not found a replacement for him.

Although WOFSY has no particular plans for the future, and has to find a new means of livelihood, he is anxious to resign his post as soon as possible. He feels that if he should remain much longer in the Reserve Fund operation, he will be blamed for the chaotic condition of the Reserve Fund operation. WOFSY said he had been told that HELEN WINTER might come to NY to assume WOFSY'S financial operations.

Regarding the "Freiheit" and "The Worker," these papers have been "technically separated." For record purposes, JACK STACHED has induced a few cloak makers to become record owners of "The Morning Freiheit." The technical separation of the papers has caused much ill-feeling since a financial accounting reflects that the "Freiheit" owes "The Worker" \$15,000.00.

Despite much "table-pounding," it had to be conceded that the "Freiheit", owed "The Worker" the aforesaid sum.

Although the papers are scheduled to separate "in a physical sense," that is not possible now in view of the lack of funds. Temporarily both papers will continue to operate at 35 E. 12th St., where they occupy three floors and the basement. Neither paper has paid any rent recently to the management of the said building, as a result of which the management is in a desperate financial situation, being unable to meet the next mortgage payment and facing possible foreclosure proceedings.

After a separation of the aforesaid papers in "a physical sense," [redacted] is scheduled to be associated exclusively with "The Morning Freiheit." b6 b7c

SAC, NEW YORK (100-83645)

6/13/58

SA [redacted]

COMINFIL INTERNATIONAL/TYPOGRAPHERS' UNION  
IS-C

Source NY 694-S\* (protect)

b6  
b7C

Reliability Who has furnished reliable information in the past.

Date of Activity 6/3/58

Date Received 6/4/58

Received By [redacted]

NY 694-S reported that according to [redacted] the latter, an employee of the New York "Daily News," is the leader of all CP groups in the USA in the International Typographers' Union, also known as "Big Six." Nationally, [redacted] said, there are sixty-five CP members in the said union, of whom forty-five are in New York City.

[redacted] stated that the ITV would hold a convention in San Francisco in August, 1958, and in connection therewith, he was anxious to ascertain whether there were CP members of ITU in Canada, and if so, whether they intended to attend the San Francisco convention.

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[redacted] requested that when NY 694-S should next go to Canada, the informant discuss this matter with TIM BUCK, Canadian CP leader. In the event, there should be any Canadian CP members who plan to attend the aforesaid convention as delegates, [redacted] would like to consult with them before the convention.

- 1- New York (134-91) (P&G) (INVEST.) (6)  
1- New York (100-116704) [redacted] (7-1)  
1- New York (97-169) (Publishers' New Press) (7-1)  
1- New York (100-7896) [redacted] (7-5) 1354  
1- New York (100-83645) [redacted] 1354

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(5)

ACB

ACB

NY 100-83645

[redacted] also mentioned that the "Worker" editorial staff would move to 23 East 26th Street on the weekend of June 7th and 8th, and that they would occupy the basement and first floor of the building at that location.

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[redacted] further stated that [redacted] also known as [redacted] is now employed as [redacted] by the "New York Times."

6/23

AIRTEL

Date: 6/19/58

TO : DIRECTOR, FBI (100-47736)  
 FROM : SAC, NEW YORK (100-16785)  
 SUBJECT: JAMES E. JACKSON  
 IS - C

NY-694-S\* advised on 6/16/58 that on 6/13/58 he had been entertained at the home of JAMES JACKSON, CP USA Secretary in Charge of Negro Affairs. Also present at JACKSON's home at the time were MARY KAUFMAN, CP lawyer, and [redacted] who assists JACKSON in CP Negro affairs. JACKSON stated that [redacted] "Polish correspondent," had been invited to his home on the aforesaid evening, but owing to the illness of his wife, [redacted] was unable to come.

b6  
b7c

4 - Bureau (100-47736) (RM)  
 (1 - 100-3-105)  
 1 - Birmingham (Inf.) (RM)  
 1 - Dallas (Inf.) (RM)  
 1 - Houston (Inf.) (RM)  
 1 - Mobile (Inf.) (RM)  
 1 - Norfolk (Inf.) (RM)  
 1 - Richmond (Inf.) (RM)  
 1 - San Antonio (Inf.) (RM)  
 (1) - New York 134-91 (Inves.) (6)  
 1NY 100-34032 [redacted] (7-5)  
 1NY 100-8529 (MARY KAUFMAN) (12-15)  
 1NY 105-14674 [redacted] (18)  
 1NY 100-80641 (CP USA ORG) (7-5)  
 1 - New York 100-79717 (CPUSA POL. ACTIV.) (7-5)  
 1 - New York 100-80640 (CPUSA NEGRO QUESTION) (7-5)  
 1 - New York 100-41932 (ALEXANDER BITTELMAN) (7-5)  
 1 - New York 100-8057 (EUGENE DENNIS) (7-5)  
 1 - New York 100-16785

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ACB:mms

(23)

134-91-1355

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SERIALIZED	FILED
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FBI - NEW YORK	
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NY 100-16785

Discussing CP matters, JACKSON said that the reason for seeking postponement of the next National Committee meeting was that "the labor program is not quite ready and DENNIS wants two more weeks to work on his international report."

JACKSON further stated that the CP Program Committee had met on 6/11/58 and "categorically and unanimously" rejected ALEXANDER BITTELMAN's proposals. BITTELMAN threatened to resign from the committee, but finally agreed to remain a member thereof. He said he would be the committee's "severest critic."

Regarding the recent Southern Regional Conference, JACKSON said it had been successful. Ten delegates from the south attended; delegates from Texas and Alabama were not present, but would come to New York in the next few weeks for a conference.

At the conference attended by the ten Southern delegates it was agreed that CP members would run for office in their respective states on the Democratic ticket. JACKSON said "the primaries should be easy," since in states like Virginia only 200 names are required for a nominating petition. In Virginia a CP member will run for the State Legislature. In other places the CP members will seek election to "local posts."

5/23  
6-18

5/22/58

PLAIN TEXT

AIRTEL

TO: DIRECTOR, FBI (100-3-69)  
FROM: SAC, NEW YORK (100-131666)  
SUBJECT: CP, USA - SOUTHERN REGIONAL COMMITTEE  
L3-C

On 5/20/58 SA [REDACTED] advised SA [REDACTED] that on 5/21/58 James Jackson, CP, USA Secretary in charge of Negro Affairs, furnished the following information:

b6  
b7C

The Party has succeeded in registering 250 members in the South, the majority of whom are white and reside in Florida and Texas. There was no registration in Alabama and Arkansas because the organizer in that area has been exposed as an FBI informant. He is a Negro, and has been under suspicion for some time. Not even one member was registered in South Carolina.

The aformentioned figure of 250 does not include 35 secret CP members who had been sent to the South as colonizers. These 35 are an important group, and work under JACKSON's personal direction. Among this group are individuals who have infiltrated the NAACP, and others who have become associated with [REDACTED] a non-communist, leader of the Montgomery, Alabama bus strike. Others of this group are active at various universities. According to JACKSON, the majority of this group are white.

b6  
b7C

3 - Akron (100-3-69) (RM)  
1 - Miami (CP, USA-SAC) (RM)  
1 - Jacksonville (CP, USA-SAC) (RM)  
1 - Dallas (CP, USA-SAC) (ARM)  
1 - Houston (CP, USA-SAC) (ARM)  
1 - El Paso (CP, USA-SAC) (ARM)  
1 - San Antonio (CP, USA-SAC) (ARM)  
1 - Birmingham (CP, USA-SAC) (RM)  
1 - Mobile (CP, USA-SAC) (RM)  
1 - Little Rock (CP, USA-SAC) (ARM)  
1 - Richmond (CP, USA-SAC) (RM)

1 - Norfolk (CP, USA-SAC) (RM)  
1 - New Orleans (CP, USA-SAC) (RM)  
1 - Charlotte (CP, USA-SAC) (RM)  
1 - Memphis (CP, USA-SAC) (RM)  
1 - Savannah (CP, USA-SAC) (RM)  
1 - Atlanta (CP, USA-SAC) (RM)  
1 - New York (100-96965)  
(CP, USA Undergrund) (7-1)  
1 - New York (100-16765)  
(JAMES JACKSON) (7-1)  
1 - New York (100-80660) (6-1)  
(CP, USA - NEGRO QUESTION)  
1 - New York (100-131666) (7-1)  
1 - New York (134-291) (INV.) (PAC)

JPA:mc (65)



134-91-356

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAY 22 1958	
FBI - NEW YORK	

[Signature]

NY 100-13166

With respect to the 250 registered members, they are well organized, and in four of the southern states there are state committees and sectional committees. In places like Monroe and Alexandria, Virginia, two CP members are seeking election to the state legislature, and two are seeking membership on the boards of education in their communities. Virginia has only a "handful" of CP members.

A young man who had been an organizer in New Orleans for seven years was transferred to Montgomery, Alabama two years ago. He is employed as an agent for an insurance company, and has been so successful that, despite reports of his CP affiliation, his employers continue to retain him in the company, and "protect him in his job." He became active in the [redacted] movement and is now very close to [redacted]. Since he is "so remarkable" in his work for [redacted] the latter "discounts" his CP affiliations.

b6  
b7C

JACKSON attributed the founess of CP members in the South to the disruptive influence of JAMES EARL RAY who split the Party after his arrest. RAY was thoroughly intimidated, became a coward, and finally anti-party.

POWER

6-18

SAC, NEW YORK (100-13644)

6/16/58

SA [redacted] (#7-1)

b6  
b7C

COMINFIL UER, MWA  
IS - C; ISA 1950  
OO:NY

The "UE News," official organ of the UE, 6/9/58, on page 9, columns 4 and 5 contains an article stating that the call for the 23rd Convention of UE has gone out to all local unions and district organizations of the International. The convention is scheduled for 9/1-5/58 at the Statler Hilton Hotel in NYC. Credentials containing names of delegates and alternates and all proposed resolutions and amendments to the Constitution are to be submitted to the UE General Secretary-Treasurer by 8/15/58.

The Special Agents handling the cases for which copies of this memo are designated should alert their informants and sources to the scheduled UE Convention and should furnish any information relating to CP plans or activities in connection with the Convention to 7-1.

- 1 - [redacted] (INVES.) [redacted] (7-0)  
1 - NY 134-91 (INVES.) (NY 694-S\*) (6) b7D  
1 - [redacted] (INVES.) [redacted] (7-1)  
1 - [redacted] (INVES.) [redacted] (7-1)  
1 - [redacted] (INVES.) [redacted] (12-11)  
1 - NY 100-132460 (ELECTRICAL AND MACHINE REGION, INDUSTRIAL DIVISION, CP) (12-11)  
1 - NY 100-89590 (CP, STRATEGY IN INDUSTRY) (19-1)  
1 - NY 100-13644

JPT:exd  
(8)

134-91-1357  
JL  
ACB

b6  
b7C

b6  
b7c

(105-72918)  
KGB S.M.U.B.  
Cleared Solo Wrap 1/10/67

SAC, NEW YORK (100-21785)

SA [redacted]

#6

b6  
b7c

[redacted]  
IS-R

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past
Date of Activity	6/10/58
Date Received	6/11/58
Received by	SA [redacted]

NY 694-S\* advised that according to captioned subject the latter has been informed by representatives of the Rumanian Delegation to the United Nations that they have not received authorization to add three additional rooms to the Delegation Headquarters, and that, therefore, they must cancel their agreement with [redacted] that he build said rooms.

b6  
b7c

[redacted] The Rumanian Delegation, however, did commission [redacted] to paint and decorate part of its headquarters building.

1-New York (134-91) (P&C) (Inves) (6)  
1-New York (105-15960) (United Nations Personnel-Rumania) (18-1)  
1-New York (100-21785)

ACB:img  
(3)

134-91-358  
gjt  
[redacted] 403  
b6  
b7c

6-18

SAC, NEW YORK (65-9760)

SA [REDACTED]

#6

b6  
b7c

COMINFIL OF PAINTERS AND DECORATORS

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past
Date of Activity	6/10/58
Date Received	6/11/58
Received by	SA [REDACTED]

On 6/11/58, NY 694-S\* advised that in a conference on 6/10/58, with [REDACTED] CP, USA Reserve Fund functionary, the latter told him the following:

b6  
b7c

[REDACTED] former NY State CP functionary, has not resigned from the CP yet, but will do so soon. When he does, he will make a public announcement to that effect to clear the way to his running for office in the next Painters and Decorators Union election.

1-New York (134-91) (P&C) (Inves) (6)  
1-New York (100-49149) [REDACTED] (7-6)  
1-New York (100-21785) [REDACTED] (6)  
1-New York (65-9760) (7-1)

b6  
b7c

ACB:img  
(4)

134-91-1359  
JW JF  
JW  
RCB

b6  
b7c

SAC, NEW YORK (100-131666)

6/17/58

SA [redacted]

b6  
b7c

CP, USA SOUTHERN REGION  
IS-C

Source NY 694-S\* (protect)

Reliability Who has furnished reliable information in the past.

Date of Activity 6/6/58

Date Received 6/6/58

Received By SA [redacted]

b6  
b7c

On 6/6/58, NY 694-S\* reported that in a conference on the aforesaid date with JAMES JACKSON, CP, USA Secretary in Charge of Negro Affairs, JACKSON told him the following:

There would be a meeting of the Southern Regional Conference on 6/7/58, and JACKSON would make the main report at the said conference. Delegates from Florida, Texas, and Alabama would attend. The meeting was being organized by [redacted] JACKSON [redacted] who was preparing the agenda.

b6  
b7c

The agenda of the meeting would include the following:

- (1) The international situation in world affairs.
- (2) The Negro situation in Texas, and the coming elections in that state.
- (3) The next NAACP convention.

JACKSON did not mention by name any of the delegates who would attend the conference.

- 1- New York (134-91) (P&C) (INVEST) (6)  
1- New York (100-100351) [redacted] (7-5) ✓ 134-61-1360  
1- New York (100-16785) (JAMES JACKSON) (7-5)  
1- New York (100-131666) (7-5)

b6  
b7c

ACB:jr  
(4)

get t/f v/v ✓  
[redacted] QCB

6/18

SAC, NEW YORK (116-118988)

6/17/58

SA [redacted]

b6  
b7C

[redacted]  
AEAA

Source NY 694-S\* (protect)

Reliability Who has furnished reliable information in the past.

Date of Activity 6/6/58

Date Received 6/6/58

Received By SA [redacted]

b6  
b7C

On 6/6/58, NY 694-S\* was recontacted with reference to the captioned applicant, concerning whom he previously stated he could furnish no information.

Pursuant to a request from the agent to whom this case is assigned, the informant was asked a hypothetical question based on the fact that the applicant's mother reportedly had recruited three members into the CP. The question was whether anyone who had recruited three members into the CP in 1943-1944 would have been an active CP member who was trusted and well versed in CP doctrine.

The informant's reply was that a recruiter must be well versed in CP doctrine since he must be prepared to answer any objection which a potential CP member may raise; and that only active and trusted persons are assigned by the CP as recruiters.

1-. New York (134-91) (P&C) (INVES) (6)  
1- New York (116-118988)

ACB: jr  
(2)

134-91-1361  
ASB [redacted] ACO

b6  
b7C

OFFICE MEMORANDUM . UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-364447) Date: 6/17/58

FROM : SAC, NEW YORK (100-96778)

SUBJECT: VIRGINIUS FRANK COE  
IS-R

Remy airtel to Bureau, dated 6/12/58.

[redacted] On 6/11/58, NY 694-S\* advised SA [redacted]  
[redacted] that on the said date he and [redacted] conferred  
with FRANK COE concerning the China trade operation.

b6  
b7c

COE stated that the China trade operation is "stalled" because COE has been informed by his "intermediary" (presumably [redacted] in London) that the latter will not be in contact with COE for some time. COE said the "intermediary" gave no explanation as to why he would not be in contact with COE, but COE suspects that the Chinese may be planning to appoint a different "intermediary".

- 2 - Bureau (100-364447) (Encl. 1) (RM)
- 1 - Bureau (65-62041) (SASH) (RM)
- 1 - Bureau (65-58751) (SOLOMON ADLER) (RM)
- 1 - Chicago (100- ) (SASH) (INFO) (RM)
- ① - New York (134-91) (P & C) (INVES.) (6)
- 1 - New York (100-78633) (ISIDORA NEEDL-MAN) (6)
- 1 - New York (100-85051) (MILTON FRIEDMAN) (6)
- 1 - New York (100-21785) [redacted] (6)
- 1 - New York (105-1322) (CHAO TING CHI) (1)
- 1 - New York (105-1329) (SURVEY OF CHINESE COMMUNIST ACTIVITY IN THE US) (1)
- 1 - New York (65-16441) (SASH) (6)
- 1 - New York (100-89851) (HENRY HILL COLLINS) (7-4)
- 1 - New York (65-15257) (SOLOMON ADLER) (6)
- 1 - New York (100-15140) (TIN BUCK) (6)
- 1 - New York (100-49702) [redacted] (7-5)
- 1 - New York (100-16021) [redacted] (7-5)
- 1 - New York (100-96778) (7)

b6  
b7c

ACB:mmr  
(18)

SEARCHED	INDEXED
SERIALIZED	FILED
6 JUN 17 1958	
FBI - NEW YORK	
	1003

b6  
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134-91-1363

NY 100-96778

COE further stated that he may be compelled to send someone to China to re-establish contact with CHAO TING CHI. According to COE, he would prefer not to have to do this because he does not want it known that he, a former US Government Official, is openly in contact with the Chinese.

COE said that NY 694-S\* should emphasize to BUCK that the Canadian part of the China trade operation is vitally important because it can exert pressure on the USA to trade with China. COE requested that the Canadians keep him currently informed of all their activities in the China trade operation. Lest BUCK think COE has lost interest in this operation, he should be assured that only loss of contact with the "intermediary" is the reason why there is no activity as yet in COE's group.

When NY 694-S\* asked COE what he could tell BUCK regarding the current activity of the American Group, COE, stated that his "office" is publishing "China Trade Letter", which is being circulated among business people in the USA. According to COE, circulation now is not extensive, but it is his intention to expand circulation as much as possible. (A copy of "China Trade Letter" is enclosed herewith for the Bureau.) COE gave NY 694-S\* several copies of "China Trade Letter", requesting that the informant give one to TIM BUCK. The aforesaid publication, COE said, is intended to pave the way to eventual trade with China. It is noted that the enclosed copy of "China Trade Letter", dated May , 1958, reflects the publisher to be Two Continents Commodity Corporation, 246 Fifth Ave., New York.

COE also mentioned that the [redacted] is "working in my office" [redacted]

b6  
b7c

SAC, NEW YORK (100-95890)

6/17/58

[redacted] (#6)

b6  
b7C

SM-C

Source: NY 694-S\* (Protect)

Reliability: Who has furnished reliable information in the past.

Date of Activity: 6/6/58

Date Received: 6/6/58

Received By: [redacted]

On 6/6/58, NY 694-S furnished the following information to SA [redacted]

b6  
b7C

On the above-mentioned date the informant conferred with [redacted] member of the CP National Committee, who discussed the captioned subject and [redacted]

[redacted] according to [redacted] is presently in Italy, where she has been for some time. She obtained a passport as a result of having secured a form of passport application no longer in use, and containing no reference to the applicant's CP affiliations.

The application was submitted during the height of the tourist season, and, as the result of "a possible oversight" on the part of the State Department, a passport was issued to her. The said passport is due to expire soon, but in [redacted] opinion, [redacted] should experience no difficulty in renewing it.

b6  
b7C

- 1 - New York (134-91) (P&C) (Inves.) (#6)
- 1 - New York (100-92919) [redacted] (#12-15)
- 1 - New York (100-50704) [redacted] (#7-5)
- 1 - New York (100-95890)

134-91-1363

ACB:phg  
(4)

*get it*

[redacted]

CCB

b6  
b7C

NY 100-95890

Regarding [redacted] stated  
that [redacted] no longer is a member of the CP. [redacted]  
recently went to New Jersey where he learned linotyping in a  
non-union shop. He organized the workers in the shop, and  
subsequently staged a successful strike. The "payoff" was  
that he was given a membership card in the union. Today he is  
employed as a linotype operator by the "Morning Telegraph",  
a racing sheet.

b6  
b7c

The information above concerning [redacted]  
was furnished to the Bureau on 6/6/58, by separate communica-  
tion for possible dissemination to other interested govern-  
ment agencies.

6-27

DIRECTOR, FBI (62-21381)

6/20/58

SAC, NEW YORK (100-48033)

IRVING POTASH  
IS - C

NY-694-S\* advised on 6/19/58 that on 6/11/58 he had met MARY KAUFMAN, attorney for IRVING POTASH, at a social gathering at the home of JAMES JACKSON, CPUSA Secretary in Charge of Negro Affairs. At that time MARY KAUFMAN told the informant that she would like to talk privately to him in the near future. It was arranged that they meet on 6/19/58.

On 6/19/58 KAUFMAN, after exchanging a few pleasantries with NY-694-S\*, said, "I want to talk to you. Don't you have anything to say to me? You are the fellow who got to the hotel before me." (Reference is to the removal of POTASH's property from the Hotel Gramatan after POTASH's arrest). The informant did not reply immediately to KAUFMAN's question, and she continued, "I almost died the next day when I went there (to Gramatan Hotel) to check him out. I was told a gentleman had checked him out."

NY-694-S\* then said, "How is our friend IRVING?" KAUFMAN replied, "He's fine, but he had some pretty bad days when first arrested." The informant then told KAUFMAN that he too had had much trouble as a result of POTASH's arrest.

KAUFMAN said, "I have been trying to talk to somebody for over a year. I talked to GENE (DENNIS) but got no response. IRVING told me at the time of the arrest that his 'stuff' (his diaries and personal belongings that he had left in Canada in the custody of TIM BUCK) by all means should remain in Canada."

2 - Bureau	(62-21381)	(RM)
1 - New York	(100-8529)	(MARY KAUFMAN)(12-15)
1 - New York	(100-16785)	(JAMES JACKSON)(7-5)
1 - New York	(100-8057)	(EUGENE DENNIS)(7-5)
1 - New York	(100-15140)	(TIM BUCK) (6)
1 - New York	(134-91)	(INVEST.) (6)
1 - New York	100-48033	

ACB:msm  
(8)

134-91-1364

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 20 1958	
FBI - NEW YORK	

*get*

PCB

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b7C

NY 100-48933

NY-694-S\* did not tell KAUFMAN that he had brought POTASH's possessions from Canada. He told her to tell POTASH not to worry about these articles - that they were in a safe place.

KAUFMAN then said that it had been very difficult to talk to POTASH at the time of his arrest. She stated that POTASH believes that his arrest was an accident - that an agent who had seen him on the occasion of his arrest in 1949 happened to be in the restaurant in Bronxville and recognised him. KAUFMAN said that she did not believe that to be so, and that she could not convince POTASH that his explanation of the arrest was incredible.

POTASH, she said, feels certain that the FBI is not aware of his having been at the Gramatan Hotel. He believes, she stated, that if the Bureau had known this, there would have been "serious repercussions."

NY-694-S\* did not desire to engage in a detailed discussion with KAUFMAN regarding the POTASH case until he should have time to prepare answers to questions which he anticipated KAUFMAN would ask, and which, if not answered carefully, might compromise the informant. He switched the conversation to the FBI's attempt to interview his wife and himself, the necessity for his staying out of contact with CP functionaries for a long period, loss of money due to neglect of his business, etc. When he had exhausted this subject, NY-694-S\* pleaded another appointment, and left KAUFMAN after agreeing to discuss the POTASH matter again with her at a time agreeable to both. KAUFMAN said she would contact him regarding a date for further discussion of the matter.

Extreme caution should be exercised with respect to dissemination of the information herein inasmuch as dissemination outside the Bureau would jeopardize the security of NY-694-S\*.

SAC, NEW YORK (100-106912)

6/18/58

SA [redacted]

b6  
b7CFAMILIES OF SMITH ACT VICTIMS INC.  
IS-C

Source NY 694-S\* (protect)

Reliability Who has furnished reliable information in the past.

Date of Activity 6/10/58

Date Received 6/11/58

Received By SA [redacted]

b6  
b7C

On 6/11/58, NY 694-S advised that on the previous day he had conferred with LEM HARRIS, CP, USA a Reserve Fund Functionary, who furnished the following information:

[redacted] has stated that, despite the fact that she has resigned from the CP, she will continue for the next year to administer the funds of "Families of Smith Act Victims Inc.". She said she has in her possession "enough money to satisfy the fund for the next year."

- 1- New York (100-54591) [redacted] (12-13)
- 1- New York (134-91) (P&C) (INVEST) (6)
- 1- New York (100-7658) (LEM HARRIS) (7-5)
- 1- New York (100-106912)

ACB:jr  
(4)

b6  
b7C

6/18/58 1365  
get it off my hands  
[redacted] QCO

ECTOR, FBI (100-3-102)

6/18/58

SAC, NEW YORK (100-123861)

(b6)  
CP, USA-FUNDS (RESERVE FUNDS)  
IS-C

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past
Date of Activity	6/9/58
Date Received	6/10/58
Received by	SA [redacted]

b6  
b7c

On 6/10/58, NY 694-S\* reported that in a contact on 6/9/58, with LEM HARRIS, CP, USA Reserve Fund functionary, the latter told him the following:

Although, in the sense of money on hand, there is currently no Reserve Fund, the Reserve Fund operation as such is still 'intact', and will resume functioning 'as soon as the political air clears'. The 'set up' is the same, and it is expected that 'the donors will return to the fold'.

Most of the former business enterprises are no longer existent owing to the fact that those operating such enterprises 'absconded'. New businesses will have to be set up.

STANLEY and ROY LEVISON are not out of the Party. Although they currently are 'not associated with Finances directly', last year, from their businesses, they contributed \$30,000.00 to the Reserve Fund, and for this year they pledged \$12,000.00.

2-Bureau (100-3-102) (RM)  
 1-New York (134-91) (P&C) (Inves) (6)  
 1-New York (100-7658) (LEM HARRIS) (7-5)  
 1-New York (100-111180) (STANLEY LEVISON) (7-5)  
 1-New York (100-1111203) (ROY LEVISON) (7-5)  
 1-New York (100-123861) (7-5)

ACB:img  
(7)

6/18/58 (7-5)

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SERIALIZED	FILED
JUL 1 1958	
FBI - NEW YORK	
[redacted]	

b6  
b7c

SAC, NEW YORK (100-13292)

6/18/58

SA [redacted]

b6  
b7C

LESTER RODNEY  
SM-C

Source NY 694-S\* (protect)

Reliability Who has furnished reliable information in the past.

Date of Activity 6/10/58

Date Received 6/11/58

Received By SA [redacted]

b6  
b7C

On 6/11/58, NY 694-S\* advised that according to ISIDORE WOFSY, CP, USA Reserve Fund functionary, LESTER RODNEY, former sports editor of the "Daily Worker" will leave soon for the West Coast, where he intends to make his home.

WOFSY said that the former staff of the "Daily Worker" plan to give a dinner in honor of RODNEY before he leaves for the West Coast.

- 1- New York (97-169) (Publishers New Press). (7-1)
- 1- New York (134-91) (P&G) (INVES) (6)
- 1- New York (19679) (ISIDORE WOFSY) (7-5)
- 1- New York (100-13292)

ACB:jr  
(4)

134-11-1367  
get to [redacted] JF  
[redacted]

b6  
b7C

OIB

6/23

AIRTEL

Date: 6/18/58

TO : DIRECTOR, FBI (100-3-81)

FROM : SAC, NEW YORK (100-86624)

SUBJECT: CP -- USA -  
INTERNATIONAL RELATIONS  
IS - C

On 6/17/58 NY-694-S\* obtained from [redacted]  
 [redacted] at CP National Office, copies of the following  
 described documents which are to be forwarded to TIM  
 BUCK, head of the Labor Progressive Party of Canada  
 (the CP of Canada). Photostats have been made, the  
 originals to be returned to the informant:

b6  
b7C

1. Letter dated 6/12/58 to CP National Committee members scheduling a meeting on 6/28 and 29/58, the agenda to include the following main points:

- a) Location of National Office - question of removal to Chicago
- b) Labor Policy Statement
- c) Problems of Party consolidation and growth
- d) Election of additional members to National Executive Committee

3 - Bureau	(100-3-81) (Encs. 3) (RM)
2 - Chicago	{61-867 - CLAUDE LIGHTFOOT} (Enc. 1) (RM) (100-18963 CPUSA ILL. DIST. FACTIONALISM)
1 - New York	(100-16785) (JAMES E. JACKSON) (7-5)
1 - New York	100-68934 [redacted] (12-11)
1 - New York	100-27452 (ROBERT THOMPSON) (7-5)
1 - New York	100-80640 {CP USA NEGRO QUESTION} (7-5)
1 - New York	100-80641 {CP USA ORGANIZATION} (7-5)
1 - New York	100-89590 {CP USA STRATEGY IN INDUSTRY} (7-5)
① - New York	134-91 (INVES.) (6)
1 - New York	100-86624

b6  
b7C

JVW:mms  
(14)

134-91-1368

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 18 1958	
[redacted]	

MCB

b6  
b7C

NY 100-86624

2. Carbon copy of: "Remarks on the Theory of the Negro Question in U.S. (Preliminary thesis - not for publication)" by JAMES JACKSON. (At National Executive Committee meeting, May 9, 1958)
3. Carbon copy of letter of CLAUDE LIGHTFOOT, dated June 11, 1958, at Chicago, to National Executive Committee, setting out reasons for the action taken by the Illinois District against a part of the membership of the South Side Division in Chicago. Attached thereto is the decision of the Illinois State Board on the action referred to.

Photostats of the above are retained by the NYO as 100-86624 1B263, 1B264 and 1B265.

Photostats of the above documents are forwarded to the Bureau as enclosures.

A Photostat of item #3 above is enclosed for Chicago.

POWERS

6/19/58

6/19/58

AIRTEL

TO : DIRECTOR, FBI (100-3-69)  
 FROM : SAC, NEW YORK (100-3341)  
 SUBJECT: CP - USA ORGANIZATION  
 IS - C  
 CINCL

On 6/19/58 NY-194-39 advised that JAMES JACKSON stated the following in regard to the coming NC meeting:

[redacted] will rise at the meeting and make a motion that the move to Chicago will be postponed and referred to the next National Convention inasmuch as the move cannot be made at the present time due to financial and other reasons. According to JACKSON, this motion will be voted on and passed.

b6  
b7c

JACKSON indicated that two items have been added to the coming NC agenda - (1) a report to be given by ANDREW DENNIS concerning the national situation; (2) a report by STACHEL on the international situation.

3 - Bureau	(100-3-69)	(RM)
1 - Chicago	{RM}	
1 - Newark	{RM}	
1 - New York	100-14785	(JAMES JACKSON)
1 - New York	100-3347	(ANDREW DENNIS)
1 - New York	100-18012	(JACK STACHEL)
1 - New York	100-33090	(SID STEIN)
① - New York	134-91	(INVES.)
1 - New York	100-3341	

SLP:msb  
(12)

134-91-13609

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 19 1958	
[Redacted]	

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NY 100-5043

JACKSON advised that the NEC discussed possible action that could be taken to remove the STEWART group from the NC. JACKSON suggested a possible move whereby PAT WOODY might present a picture of [REDACTED] commingling with FIVE and others to disrupt the Party. Such a move would then facilitate motion for removal by the national leadership. JACKSON indicated that should STEWART attend the NC and attempt to make a statement concerning the action by the Service in regard to [REDACTED] they would "crucify" him.

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POLITICS

6/27

FBI

Date: 6/26/58

Transmit the following message via AIRTEL

(Priority or Method of Mailing)

TO DIRECTOR, FBI (100-310736)  
 FROM SAC, NEW YORK (100-85051)  
 SUBJECT MILTON HARRY FRIEDMAN, wa.  
 IS-R

ReNYairtel, 6/23/58 and NYairtel dated 6/5/58,  
 captioned "CP, USA, COVER COMPANIES (ANTIQUE SHOPS); IS-C,"  
 particularly paragraphs two, three and four thereof,  
 reflecting that ROBERT THOMPSON, CP, USA Organization Secretary,  
 MARY KAUFMAN, CP attorney, WILLIAM PATTERSON, Manager  
 of "The Worker," and [redacted] the lawyer, " were  
 interested in setting up an export-import business.

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10 - Bureau (100-310736) (RM)  
 (1-100-39) (WILLIAM PATTERSON) (RM)  
 (1-105-45198) [redacted] (RM)  
 { 1-100-364447) (VIRGINIUS FRANK COE) (RM)  
 { 1-100-81) (CP, USA INTERNATIONAL RELATIONS) (RM)  
 (1-100-63) (CP, USA FUNDS) (RM)  
 (1-100-103) (CP, USA-COVER COMPANIES) (ANTIQUE SHOPS) (RM)  
 (1-101-1744) (MARY KAUFMAN) (RM)

1 - NY 134-91 (P&C) (INVES) (#6)  
 1 - NY 100-27452 (ROBERT THOMPSON) (7-5)  
 1 - NY 100-8529 (MARY KAUFMAN) (#12-15)  
 1 - NY 100-84275 (WILLIAM PATTERSON) (7-6)  
 1 - NY 105-17075 [redacted] (18)  
 1 - NY 100-78633 (ISIDORE NEEDLEMAN) (6)  
 1 - NY 100-96773 (VIRGINIUS FRANK COE) (6)  
 1 - NY 100-100-174 (CP, USA COVER COMPANIES) (ANTIQUE SHOPS) (7-5)  
 1 - NY 100-46630 (CP, USA FUNDS) (7-5)  
 1 - NY 100-36324 (CP, USA INTERNATIONAL RELATIONS) (7-5)  
 1 - NY 100-48757 [redacted]  
 1 - NY 100-85051 [redacted]

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b7cWKB:RCM (#6)  
(25)

134-91-1370

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 21 1958	
FBI - NEW YORK	
M Per 1. 6/28	

Approved: \_\_\_\_\_ Sent: \_\_\_\_\_  
 (M) Special Agent in Charge

NY 100-85051

NY 694-S\* advised SA [redacted] that on 6/24/58, he conferred with MARY KAUFMAN, who sought his advice regarding the above mentioned export-import operation. KAUFMAN exhibited to the informant a copy of a note, on the stationery of the Danube Trading Corporation, from which the names of the addressee and the signer thereof had been deleted. According to KAUFMAN, the original was sent to "an official Hungarian trade group" and was written by MILTON FRIEDMAN. (MILTON FRIEDMAN-Bufile 100-310736- is a CP attorney active in the "China Trade Operation," information concerning which is being reported currently to the Bureau under the caption, "VIRGINIUS FRANK COE; IS-R.")

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The note, according to NY 694-S\* was to the effect that the writer's organization was in a position to render the addressee every available service with respect to trade, including "purchasing, public relations services, and legal services." With respect to trade operations the writer's organization would work on a commission basis, but concerning public relations services and legal services "a retainer" would be required. The writer assured the addressee that the latter's interests would be guarded "loyally, confidentially, honestly, etc."

KAUFMAN stated that she had several problems with regard to this matter. She explained her being involved in this matter as follows: WILLIAM PATTERSON has been in frequent contact with the Hungarians regarding a proposed trade operation. He has talked to a number of Hungarian UN delegates, particularly to [redacted]

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[redacted] Bufile 100-45198). PATTERSON has discussed this proposed Hungarian trade operation with ROBERT "BOB" THOMPSON, CP, US Organizational Secretary, and they both are particularly desirous of the CP's benefiting from the said trade operation. For that reason PATTERSON and THOMPSON are insisting that KAUFMAN-to protect the Party's

NY 100-85051

interests-become active in the Hungarian trade operation. In her opinion, FRIEDMAN resents her being associated in this operation since he probably does not wish to share profits with the Party. Since HATTERSON, however, has so much influence with the Hungarians, FRIEDMAN, in KAUFMAN's opinion, does not dare to make an issue of KAUFMAN's being in the deal.

KAUFMAN is concerned about whether this proposed Hungarian trade operation has any chance of success, particularly since, to become part thereof, she would have to give several thousand dollars to "the trade group."

Another problem that concerns her is whether, if she should join the trade group for the purpose of handling legal or strictly business matters, she should register as a foreign agent. Personally she would prefer not to register because she feels that to do so would militate against her interests, and jeopardize her status as a member of the bar.

KAUFMAN said it would seem that FRIEDMAN's group has good contacts and that "something is cooking" because "somebody, probably FRIEDMAN, is going to Brussels to confer with a representative of the Hungarians." In that connection, KAUFMAN remarked that in view of "the relaxation of the passport laws as a result of a recent Supreme Court decision," she intended to apply for a passport which she possibly might have use for in connection with the proposed trade operation.

NY 694-S\* told KAUFMAN that he was not qualified to advise her regarding her problems, but that he suggested that she consider the CP's interests of paramount importance, and that she not allow MILTON FRIEDMAN to intimidate her. He further suggested that the person to advise her is

NY 100-85051

ISIDORE GIBBY NEEDLEMAN, whom the informant regarded as an expert in such matters. KAUFMAN said that she was reluctant to initiate discussion of the matter with NEEDLEMAN since she believed NEEDLEMAN and FRIEDMAN to be "close." NY 694-S\* suggested that KAUFMAN permit him to discuss with ROBERT THOMPSON the advisability of consulting NEEDLEMAN about this matter, and that if THOMPSON should be agreeable, that NY 694-S\* arrange a conference for KAUFMAN with NEEDLEMAN. KAUFMAN agreed to the informant's proposal.

After leaving KAUFMAN, NY 694-S\* conferred with THOMPSON briefly, and obtained THOMPSON's permission for KAUFMAN to confer with NEEDLEMAN. The informant subsequently arranged with NEEDLEMAN that KAUFMAN go to NEEDLEMAN's office at 3 p.m. on Thursday, 6/26/58. In discussing the trade operation with NY 694-S\*, THOMPSON expressed the opinion that "FRIEDMAN has something good with the Hungarians."

On 6/23/58, [redacted] advised that one FRIEDMAN contacted [redacted] to the UN from Hungary. FRIEDMAN stated he wanted to speak to PATTERSON, who has gone to Washington, but that he did not know where PATTERSON could be reached by phone and thought that [redacted] might have knowledge of this trip. [redacted] stated he had no information whatsoever about the trip. FRIEDMAN then asked if they might talk about "our" business. FRIEDMAN stated he had received a letter or two from the Hungarian Chamber of Commerce in which it was suggested that FRIEDMAN go to Brussels and talk with NYERGES (ph.). He said he had made a reservation to leave for Brussels on 6/24/58, since it was indicated that NYERGES (ph.) would only remain in Brussels through June. He related that he had written a long letter to the Chamber of Commerce, setting forth generally "what we could do," and waited for a reply to see if there was a proper basis for discussion.

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NY 100-85051

He said he urged a reply about a week ago in order to put the negotiations "in the right track" and, since he did not receive a reply to his communication, he cancelled his reservation to Brussels last Saturday.

FRIEDMAN inquired as to whether [redacted] had seen a copy of his letter and [redacted] replied that he had. FRIEDMAN stated in his letter he proposed an agency to distribute brokerage and agency contracts as required. He said that he received a reply from the Chamber of Commerce on that date referring to FRIEDMAN's letter of May 27, and stating that the Chamber of Commerce was not in a position to "give meritorious answer" at this time due to the fact that President NYERGES (ph.) is absent abroad for several weeks and that, "In the meantime we shall contact and discuss with the Foreign Trading Enterprises concerning the possibilities of a close cooperation." The letter called attention to the fact that the Hungarian Chamber of Commerce, not being a commercial corporation, "Is not and will not be in a position to confer an agency on any trading company abroad."

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[redacted] stated he believes the Chamber of Commerce is probably a "coordinating body." FRIEDMAN replied that in that case perhaps a communication should be addressed to the Hungarian Government. [redacted] said he did not know but he was aware of the fact that the Chamber of Commerce was doing everything possible to encourage and promote trade relations between Hungary and firms abroad. FRIEDMAN related that the mentioned letter also remarks that "All your suggestions concerning our letter of March 15 will be of great interest to us." This communication was signed by [redacted]

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FRIEDMAN remarked that, "There is news of many important developments in Hungary on higher levels than this business of foreign trade over here, and I

NY 100-85051

suppose the people I would have to discuss this matter with are busy discussing other things." [redacted] replied, "I don't think so - not at all. If you are referring to this political problem, they are not engaged in this.... The Parliament is in session now, for instance, discussing the three year plan .... Different Ministries discuss economic problems, and all are interested in foreign trade." [redacted] said he would rather not give any advice since he was not versed in foreign trade but that he was of the opinion that it would be advisable for FRIEDMAN to go to Brussels, where the details could be worked out. [redacted] said that it was only a personal opinion. FRIEDMAN stated he was very appreciative of [redacted] opinion as he was hard pressed to form a logical approach in this matter and was merely "groping."

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FRIEDMAN inquired whether NYERGES (ph.) speaks English. [redacted] said he thought he had met him on one occasion and believed he does speak English. FRIEDMAN said he would phone NYERGES as he is "anxious to push this matter." FRIEDMAN said he now has a good distributor who is interested in taking liquors and spirits but that he cannot do anything with him at this time and that some legal problems exist since someone else had a franchise here.

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[redacted] inquired whether it is Vintage Wines. FRIEDMAN said it was not; that Vintage only has the franchise for wines - not spirits. FRIEDMAN stated that there are other problems. He said he knows of no animal inspection agreement in force with Hungary, yet in the recipe column of Saturday's "NY Times," there was described Hungarian canned gooseliver selling at \$15 for 12 oz. [redacted] stated that his wife picked up a small can which sold around \$5-\$6 and that he believed she purchased it at Paprikas Weiss. He said he thought some similar products do come into the U.S. but only in small quantities.

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NY 100-85051

FRIEDMAN remarked that PATTERSON is "seeing some of your people in Washington. I will call PATTERSON in Washington and NYERGES in Brussels." [redacted] stated that, if FRIEDMAN should decide to leave for Brussels, he would like to know about it since he hoped to get together with FRIEDMAN before he, [redacted] leaves for Hungary next month.

On 6/25/58, [redacted] advised PATTERSON contacted [redacted] and arranged to meet [redacted] at 6 P.M. that date on Broadway between 25th and 26th Streets "on the right hand side." [redacted] suggested they talk over coffee. PATTERSON gave [redacted] his new telephone number, ORegon 9-9540.

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Bureau will be advised of all developments.

POWERS

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AIRTEL

DATE: 6/27/58

TO : DIRECTOR, FBI (100-3-69)

FROM : SAC, NEW YORK (100-80641)

SUBJECT: COMMUNIST PARTY, USA  
ORGANIZATION  
IS - C

NY-694-S\* advised on 6/27/58 that on the same date JAMES JACKSON, CP, USA Secretary in charge of Negro Affairs, told him the following:

After several changes in plans, it has been decided that EUGENE DENNIS will submit a report on the international situation at the coming National Committee meeting.

3 - Bureau (100-3-69) (RM)  
 1 - Cleveland 100-4212 (HY LUMER) (RM)  
 1 - New York 100-129629 (WM. ALBERTSON) (7-6)  
 1 - New York 100-50806 (GEO. BLAKE CHARNEY) (7-6)  
 1 - New York 100-23825 (BENJ. J. DAVIS, JR.) (7-5)  
 1 - New York 100-8057 (EUGENE DENNIS) (7-5)  
 1 - New York 100-49149 [REDACTED] (7-6)  
 1 - New York 100-17923 (JOHN GATES) (7-5)  
 1 - New York 100-16785 (JAMES E. JACKSON) (7-5)  
 1 - New York 100-25907 (VICTOR J. JEROME) (12-14)  
 1 - New York 100-18065 (JACOB STACHEL) (7-5)  
 1 - New York 100-62509 (DOXEY A. WILKERSON) (12-11)  
 1 - New York 100-87211 (CP USA FACTIONALISM) (7-5)  
 1 - New York 100-86624 (CP USA INTERNAT'L RELATIONS) (7-5)  
 1 - New York 100-80635 (CP USA JEWISH QUESTION) (7-5)  
 ① - New York 134-91 (INVES.) (6)  
 1 - New York 100-80641

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JWW:mms  
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134-91-1371

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JUN 27 1958	
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b7c

NY 100-80641

There is still disagreement in the CP regarding the advisability of electing a full complement of National Executive Committee members. It is feared that one or more individuals who might be elected to the NEC later may prove to be critical of Soviet action in Hungary.

BEN DAVIS, Jr. is involved in a dispute with other CP functionaries - including JAMES JACKSON - concerning whether BILL ALBERTSON should be elected to the National Committee as a member from New York or as a member-at-large. DAVIS wants him elected as a member-at-large. The others feel that by reason of his "personal sins" CP districts outside New York would not elect him as a member-at-large. Others' opinion is that to be elected ALBERTSON would have to run for election as a delegate from New York.

There are four vacancies on the National Committee, those existing by reason of the fact that GEORGE BLAKE, CHARNEY, DOXEY WILKERSON, [REDACTED] and JOHN GATES are no longer members of the National Committee.

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V. J. JEROME, "HY" LUMER and JACK STACHEL, as a subcommittee on the "Jewish Question," believe the Jewish Question is becoming an "increasingly ugly problem." At the moment it is not anticipated that it will become part of the agenda at the coming National Committee meeting.

POWERS.

7/14

F B I

Date: 7/3/58

Transmit the following in \_\_\_\_\_  
 Via AIRTEL RM  
 (Type in plain text or code)  
 (Priority or Method of Mailing)

TO : DIRECTOR, FBI (100-3-69)  
 FROM : SAC, NEW YORK (100-80641) (7-5)  
 SUBJECT: CP, USA - ORGANIZATION  
 IS - C  
 CINAL

Care must be used in handling and reporting the  
following information to protect the identity of the informant.

3 - Bureau (100-3-69) (CP, USA - ORGANIZATION) (RM)  
 8 - Chicago (100- ) (CP, USA - ORGANIZATION) (RM)  
 (1 - 100- ) (CLAUDE LIGHTFOOT) (RM)  
 (1 - 100- ) (SAM KUSHNER)  
 (1 - 100- ) (MORRIS CHILDS)  
 (1 - 100- ) (CP, USA - FACTIONALISM)  
 (1 - 100- )  
 (1 - 100- )  
 (1 - 100- )  
 2 - Cleveland (100- ) (RM)  
 (1 - 100- ) (GUS HALL)  
 1 - Detroit (100- ) (CARL WINTER) (RM)  
 2 - Newark (100- ) (PAUL TOOHEY) (RM)  
 (1 - 100- )  
 1 - Los Angeles (100- ) (RM)  
 1 - Minneapolis (100- ) (RM)  
 1 - Seattle (100- ) (RM)  
 ① - NY 134-91 (Investigative) (6)  
 1 - NY 100-27452 (ROBERT THOMPSON) (7-5)  
 1 - NY 100-50090 (SID STEIN) (7-5)  
 1 - NY 100-89816 (FRED FINE) (7-5)  
 COPIES CONF'D ON PAGE 1a  
 1 - NY 100-80641 (CP, USA - ORGANIZATION) (7-5)

ACB:msb (#6)  
 (38)

Approved: \_\_\_\_\_ Sent: \_\_\_\_\_ M Per: \_\_\_\_\_  
 Special Agent in Charge

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134-91-1372

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 3 1958	
FBI - NEW YORK	

[Redacted stamp area]

ACB

NY 100-80641

COPIES CONT'D

- |                  |   |
|------------------|---|
| 1 - NY 100-50704 | [REDACTED] (12-13)                      |
| 1 - NY 100-1696  | (ELIZABETH CUREY FLYNN)(7-5)            |
| 1 - NY 100-      | (PAT TOOHEY)(7-0)                       |
| 1 - NY 100-89590 | (CP,USA - STRATEGY IN INDUSTRY)(7-5)    |
| 1 - NY 100-48033 | (IRVING POTASH)(7-5)                    |
| 1 - NY 100-87211 | (CP,USA - FACTIONALISM)(7-5)            |
| 1 - NY 100-86624 | (CP,USA - INTERNATIONAL RELATIONS)(7-5) |
| 1 - NY 100-13473 | (SIMON GERSON)(7-5)                     |
| 1 - NY 100-16785 | (JAMES JACKSON)(7-5)                    |
| 1 - NY 100-20128 | (ALEXANDER BITTELMAN)(7-5)              |
| 1 - NY 100-80640 | (CP,USA - NEGRO QUESTION)(7-5)          |
| 1 - NY 100-      | (CLARENCE HATHAWAY)(7-2)                |

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NY 100-80641

NY 694-S advised SA [redacted] on 7/1/58 that on 6/30/58 he had conferred with ROBERT "BOB" THOMPSON, CPUSA Organizational Secretary, who furnished the following information concerning the CPUSA National Committee meeting of June 28, 1958:

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There were thirty-eight in attendance at the NC meeting. Among the absentees were SID STEIN, FRED FINE, [redacted] CLAUDE LIGHTFOOT, CARL WINTER, and [redacted] WINTER was absent because of illness; [redacted] was unable to attend because he was working as a retail store clerk in New Jersey at the time of the NC meeting; CLAUDE LIGHTFOOT was not there because he was on vacation, but sent word to the meeting that he would accept if elected to the National Executive Committee.

ELIZABETH GURLEY FLYNN made the report on the proposed transfer of CP headquarters to Chicago. As previously planned and agreed upon, the Chicago delegation - with SAM KUSHNER acting as spokesman - advised the NC meeting that for financial and other reasons the move to Chicago should not be made at this time. Decision with respect to this matter was postponed to be discussed again at a later NC meeting.

Four individuals were elected to the National Executive Committee: CARL WINTER, CLAUDE LIGHTFOOT, [redacted] SAM KUSHNER was not nominated for election to the NEC, and his resentment was so noticeable that "the others at the meeting did not like his re-action." Although he voted with the majority, he did so "with reservations." What had not been anticipated was his attack on THOMPSON with regard to revisionism;

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PAT TOOHEY attacked [redacted] as "a disruptive," but there were no expulsions of her or her group, nor was there any disciplinary action taken against them.

No new members were elected to the National Committee, and it was decided not to elect any such new members for the next six months.

NY 100-80641

Regarding a CPUSA Labor Secretary, none has been appointed yet. THOMPSON told NY 694-S that he was telling the latter in strict confidence that IRVING POTASH was the most likely candidate for the position, and that the post of Labor Secretary would remain vacant until POTASH should be released from jail. THOMPSON said that he felt that POTASH would be unable to be reactivated as a CP functionary for at least six weeks after his release from prison.

THOMPSON also told NY 694-S confidentially that the CP is contemplating the establishment of "a labor council," and appointing CLARENCE HATHAWAY as the head thereof. HATHAWAY presumably would be brought in to join the staff of the "Worker."

When GUS HALL's period of parole shall have expired, the CP hopes to assign him to some important Party post.

THOMPSON was particularly anxious to know when MORRIS CHILDS would be available for assignment. He said he desires the latter to handle the investigation of PAT TOOHEY's allegations regarding the disruptive activities of [redacted] and her group, and also to complete, with the assistance of HELEN WINTER, "the auditing investigation."

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More important, he said, was the necessity of MORRIS CHILDS returning to Chicago to handle the political situation there. His assistance is needed to combat the KUSHNER group, and to strengthen the CLAUDE LIGHTFOOT forces.

THOMPSON noted that in delivering his report on the international situation, EUGENE DENNIS spoke of the Hungarian question, the situation in Latin American countries, and of the adverse reaction to the proposed summit conference. The report was endorsed.

THOMPSON said that in delivering his own report on the CP situation, he discussed organization, the inner-Party fight, and revisionism. He stated that there had been some opposition to his report, but that the vote thereon reflected there were twenty-seven in favor of the report, ten against, and "several abstentions."

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THOMPSON said that "labor policy program" had been adopted unanimously.

A resolution criticizing the Hungarian Government for the execution of NAGY was presented by [redacted] and SI GERSON, and the vote thereon reflected twenty-seven opposed the resolution, ten were in favor, and several "abstained." [redacted] particularly, was critical of THOMPSON's definition of revisionism, but by the same twenty-seven to ten vote, the meeting was in accord with THOMPSON's definition.

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The "Ultra-Left" was no problem at the NC meeting because THOMPSON, by attacking revisionism, "stole their ammunition."

NY 694-S advised that he conferred on 7/1/58 with JAMES JACKSON, CP, USA Secretary in Charge of Negro Affairs, who confirmed what ROBERT THOMPSON had said about the above-mentioned NC meeting, and made additional remarks to the following effect:

The CP leadership showed its strength in the endorsement of the DENNIS report, the defeat of the "Right Wing" resolution to criticize the Hungarian government and the election of four individuals of its choice to the NEC.

JACKSON considered it a personal victory that KUSHNER was not nominated for election to the NEC. During recesses of the NC meeting, JACKSON convinced members of the NEC that KUSHNER "works both sides of the street at the same time." His "biggest failure" was his recognition of [redacted] leader of the Extreme Left" in Chicago, as a "political power." He weakened the Chicago leadership by his failure to support CLAUDE LIGHTFOOT, and his work in the industrial division was ineffective. JACKSON succeeded in convincing the CP leaders that KUSHNER definitely is not "leadership material."

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KUSHNER, by his criticism of THOMPSON's report, further alienated the CP leaders. In a conversation with JACKSON after the NC meeting KUSHNER indicated that he was very disappointed and bitter about his not becoming a member of

NY 100-80641

the NEC. He accused DENNIS and THOMPSON of having "double-crossed" him in that some months ago in Chicago they had promised that KUSHNER would be elected to the NEC.

In the course of an informal meeting of the NEC during a recess of the NC, it had been agreed that only four individuals should be elected to the NEC. It was desired that two vacancies remain so that at the next full NC meeting in October IRVING POTASH and GUS HALL might be elected to the NEC. JACKSON mentioned that IRVING POTASH will probably be the Party's next Labor Secretary.

PAT TOOHEY had been considered for a while for election to the NEC, but the feeling was that such a move at this time was "premature."

At another informal NEC meeting held during a recess of the NC, it was decided to postpone until October the election of five new members of the National Committee.

If there had been an election of new members of the NC, MORRIS CHILDS definitely would have been elected to the said committee. JACKSON had spoken to many of the delegates, particularly the California delegation and they all felt MORRIS CHILDS should become a member of the NC. JACKSON said he felt certain MORRIS CHILDS would be elected to the NC in October.

JACKSON wished MORRIS CHILDS were available at this time to strengthen the Chicago leadership, "to put KUSHNER in his place," and, as a member of the Appeals Commission, to prepare the case against [redacted]

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JACKSON stated that on June 20th the Party Program Committee met and agreed on the outline of the program so far prepared. ALEXANDER BITTELMAN was not present at this meeting. On the same date a Negro Commission meeting was held, the main point of discussion having been "the Little Rock situation."

NY 100-80641

but [redacted] was unable to attend the NC meeting  
[redacted] substituted for her at the meeting.

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SID STEIN did not attend the NC meeting, stating  
that he had not received an invitation to attend. STEIN  
is lying-he was sent an invitation.

POWERS

7/14

## OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-310736) DATE: 7/3/58

FROM : SAC, NEW YORK (100-85051)

SUBJECT : MILTON HARRY FRIEDMAN, wa.  
IS-R

Remy airtel, 6/26/58.

NY 694-S advised on 6/30/58 that MARY KAUFMAN, in the presence of the informant, conferred on 6/26/58, with ISIDORE "GIBBY" NEEDLEMAN.

Regarding the necessity of KAUFMAN's registering as a foreign agent, NEEDLEMAN told her that if she intended to restrict her activities in the Hungarian trade operation to legal and public relations work, there would be no need for her to register.

- 10 - Bureau (100-310736) (RM)
  - (1-100-39) (WILLIAM PATTERSON)
  - (1-105-45198) [REDACTED]
  - (1-100-364447) (VIRGINIUS FRANK COE)
  - (1-100-81) (CP, USA INTERNATIONAL RELATIONS)
  - (1-100-63) (CP, USA FUNDS)
  - (1-100-103) (CP, USA-COVER COMPANIES) (ANTIQUES SHOPS)
  - (1-101-1744) (MARY KAUFMAN)
  - (1-100-397235) [REDACTED]
- (13) - New York (100-85051)
  - (1-NY 134-91) (P & C) (INVEST.) (#6)
  - (1-NY 100-27452) (ROBERT THOMPSON) (#7-5)
  - (1-NY 100-8529) (MARY KAUFMAN) (#12-15)
  - (1-NY 100-84275) (WILLIAM PATTERSON) (#7-6)
  - (1-NY 105-17075) [REDACTED] (#18)
  - (1-NY 100-78633) (ISIDORE NEEDLEMAN) (#6)
  - (1-NY 100-96778) (VIRGINIUS FRANK COE) (#6)
  - (1-NY 100-129174) (CP, USA COVER COMPANIES) (ANTIQUES SHOPS) (#7-5)
  - (1-NY 100-74560) (CP, USA FUNDS) (#7-5)
  - (1-NY 100-86624) (CP, USA INTERNATIONAL RELATIONS) (#7-5)
  - (1-NY 100-58757) [REDACTED]
  - (1-NY 100-111387) [REDACTED] (#6)

ACB:lmb  
(23)

WKB

134-91-1373

SEARCHED	INDEXED
SERIALIZED	FILED
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FBI - NEW YORK	

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NY 100-85051:

NEEDLEMAN remarked that the plan to trade with Hungary was not new—that MILTON FRIEDMAN and [redacted] [redacted] (Bufile 100-397235) a long time ago had originated the idea. [redacted] he said, has been doing business in aluminum for some time.

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In NEEDLEMAN's opinion, trade with Hungary is a "long way off"—possibly two years. U.S.A. merchants, in view of the current Hungarian situation, would not be inclined to do business with Hungary at this time. NEEDLEMAN suggested that KAUFMAN go to Hungary now to solicit legal business and to develop contacts for use in the future in the trade operation. He said she should state honestly in her passport application where she was going.

KAUFMAN told NEEDLEMAN that if she should go to Hungary, she could talk to the [redacted] [redacted] "who is willing to see me."

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NEEDLEMAN considered it an excellent idea to talk to [redacted] or "some one in authority" about the proposed trade operation.

KAUFMAN said she would have to discuss the matter further with the Party, and requested that NEEDLEMAN not tell either MILTON FRIEDMAN or WILLIAM PATTERSON of her conference with him. NEEDLEMAN agreed not to mention her conference with him.

After leaving NEEDLEMAN's office, KAUFMAN told NY 694-S that she is too busy with legal work to go to Hungary during the next six weeks.

The Bureau will be advised of further developments in this matter.

7/14

7/7/58

AIRTEL

TO : DIRECTOR, FBI (61-330)  
 FROM : SAC, NEW YORK (100-9365)  
 SUBJECT: WILLIAM Z. PORTER  
 IS - C  
 IMA - 50

On 7/1/58 NY-694-S\* made available the following described document which is to be forwarded to TIM DUCK, head of the Labor Progressive Party of Canada. (the CP of Canada) and which was obtained from [redacted] at the CP National Office. Photostats have been made and the original returned to the informant.

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1. An article dated 5/26/58 addressed to the National Committee by WILLIAM Z. PORTER entitled, "Build And Strengthen the Communist Party."

It is noted that previous information concerning this article was supplied by [redacted] and has been furnished the Bureau.

b7D

A Photostat of this document is enclosed for the Bureau and one Photostat is being retained by the WFO in 100-9365-1a236.

## POWERS

3 - Bureau (61-330) (Enc. 1) (7-3)  
 1 - New York 100-8946 [redacted] (12-11)  
 1 - New York 100-86641 {CP, USA, ORGANIZATION} (7-5)  
 1 - New York 100-81792 {CP, USA EIEP} (7-2)  
 1 - New York 134-91 {INVEST.} (6)  
 1 - New York 100-9365

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JPO:Carne  
(9)

134-91-1374

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 7 1958	
FBI - NEW YORK	
[redacted]	

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7/14

## OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : SAC, NEW YORK (100-128861) 7/3/58

FROM : SA [REDACTED] (#6)

b6  
b7C

SUBJECT : CP, USA - FUNDS (RESERVE FUND)

Source NY 694-S\*  
 (Protect)  
 Reliability Who has furnished reliable  
 information in the past  
 Date of Activity 6/20/58  
 Date Received 6/23/58  
 Received By SA [REDACTED]

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NY 694-S\* reported a conference regarding CP Reserve Fund matters with LEM HARRIS, on 6/20/58. HARRIS discussed the following:

- 1 - New York {134-91} (P & C) (INVESTIGATOR) (6)
- 1 - New York {100-7658} (LEM HARRIS) (7-5)
- 1 - New York {100-57639} [REDACTED] (12-14)
- 1 - New York {100-14419} [REDACTED] (7-2)
- 1 - New York {100-111180} (STANLEY LEVISON) (7-5)
- 1 - New York {100-7836} [REDACTED] (12-14)
- 1 - New York {100-9352} [REDACTED] (7-5)
- 1 - New York {100-111199} [REDACTED] (7-5)
- 1 - New York {100-8057} (EUGENE DENNIS) (7-5)
- 1 - New York {100-52959} [REDACTED] (12-11)
- 1 - New York {100-27452} (ROBERT THOMPSON) (7-5)
- 1 - New York {31769} (PROMPT PRESS) (7-1)
- 1 - New York {100-25868} [REDACTED] (12-15)
- 1 - New York {100-74560} (CP, USA FUNDS) (7-5)
- 1 - New York {100-128314} (NEW YORK STATE CP FUNDS) (7-5)
- 1 - New York {100-128314-B} (BROOKLYN, NY, CP FUNDS) (7-5)
- 1 - New York {100-128861}

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b7C(ACB:lmb  
(17))

134-91/1375

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FBI - NEW YORK	

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NY 100-128861

He is not happy, feeling that he does not have the full confidence of the CP leadership since he does not agree with them politically.

[redacted] is no longer contributing to the Reserve Fund. She disagrees with the present CP leadership, and is "disillusioned and bitter." STANLEY LEVISON finds it most difficult even to contact her. LEVISON blames [redacted] who used to be active in the CP Cultural Division, for her present attitude toward the CP.

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[redacted] is another former contributor to the Reserve Fund who no longer is giving any support to the said fund. He is becoming "Mexicanized," having married during the past year, a full-blooded Mayan girl. She is a former model of the deceased artist, DIEGO RIVERA, and recently gave birth to a baby. HARRIS believes that he is the only CP functionary who has been in contact with [redacted] during the past year or two.

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[redacted] is very angry with [redacted] for having had in her possession when he was searched by police during a visit to Mexico an address book containing among others [redacted] name and address.

[redacted] HARRIS has heard nothing recently from [redacted] a former Reserve Fund donor, but plans to try to "revive" him as a donor.

HARRIS believes that six months ago, the "Brooklyn guys" could have been prevented from absconding with CP money. since the Party at that time was in a position to take legal action against them. HARRIS attempted to persuade EUGENE DENNIS to take action against this Brooklyn group at that time, but DENNIS would not listen to him.

NY 100-128861

HARRIS received the same "brush-off" from "BOB" (ROBERT) THOMPSON when he discussed this matter with the latter. HARRIS feels that until the Party takes some positive action to recover the money from the Brooklyn group, it will be unable to re-activate old donors or develop any new ones.

HARRIS told the CP leadership that according to "the attorney in Brooklyn" (not otherwise identified), the latter has "under him" several dozen donors who, if the "Brooklyn problem" were resolved, are ready, willing, and able to contribute. (NY 694-S is of the opinion that these donors are contributors to the NY State CP).

NY 694-S\*, who was active in the CP Reserve Operation when funds on hand were between \$300,000.00, and \$400,000.00, and who knew that HARRIS was aware of the fact that such amounts were on hand when the informant was active in the Reserve Fund, asked HARRIS whether the present Reserve Fund was comparable to that "of the old days."

HARRIS replied, "By no means. There is very little in the Reserve, and much less to replace it (from earnings, according to NY 694-S). At one time "they" agreed to leave a minimum balance in the Reserve (\$40,000.00, according to NY 694-S), but now they have "drained it to practically nothing." The New York State CP still owes the National Office Reserve Fund \$20,000.00. During the past few months, "Prompt Press" has given nothing to the National Office Reserve Fund, although [redacted] of "Prompt Press", has deducted from their bill some of the money owed by the National Office to "Prompt Press." Furthermore, for some time past, the Reserve Fund has received no income from the building at 35 East 12th Street.

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PARADEOR, FBI (100-3-C3)

7/9/58

CIO, NEW YORK (100-7450)

COMMUNIST PARTY, USA  
CPUSA  
IS - C

COMMUNIST PARTY, USA  
CPUSA  
(RESERVE FUNDS)  
IS - C

Rebillet 7/3/58 concerning the possibility of NY-694-S\*  
replacing ABADORN WORSY as head of the National Reserve Fund,  
CP, USA.

NY-694-S\* has advised that he is completely dependent upon the will of ROBERT THOMPSON, CP, USA Organizational Secretary, for his assignments. THOMPSON is fully cognizant of all of the informant's activities in the CP, USA, and in the espionage field. In the past the informant has been extremely active in Reserve Fund matters, having been consulted by THOMPSON as to his ideas on the operation of the Reserve Fund and having contacted a number of former CP donors in an effort to obtain contributions to the fund. THOMPSON has given the Informant these assignments in connection with the Reserve Fund; however, he has stated to NY-694-S\* that he wants him to be a general supervisor and consultant in Reserve Fund matters and not tied down to one assignment, such as being in charge of the Reserve Fund, because he feels this would interfere with the other responsibilities he has had in the CP.

The Informant has stated that he feels as THOMPSON does in this matter; that is, that his assignment to a particular duty such as controlling the Reserve Fund would curtail his operations as liaison man with the Canadian CP and would also interfere with his operations in the espionage field. He also said that such an assignment would be a loss of position to him in the CP since he termed WORSY "only a leg man" for MICHAEL DENNIS.

- 4 - Bureau (100-3-C3) (RM)  
(2 - 100-3-102)  
1 - New York 134-91 (Inves.) (6)  
1 - New York 100-128861  
1 - New York 100-7450

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134-91-1376

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FBI - NEW YORK	
[Redacted]	

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NY 100-74560

The informant feels that he can be of more value if his activities were not so restricted.

In view of the above, it is not believed desirable at this time that the informant should make any attempt to secure this post for himself. He will continue to cooperate completely with THOMPSON in all matters concerning the reserve fund and, should the position be offered to him, he will accept it provided such acceptance will not force him to give up all his other varied activities in the CP, USA.

DIRECTOR, FBI (62-21381)

7/3/53

SAC, NEW YORK (100-47033)

IRVING POTASH  
IS-C

Re mylet, dated 6/20/53.

NY 694-S\* advised SA [REDACTED] on 6/25/53,  
 that on the preceding day he had conferred further with MARY KAUFMAN regarding the POTASH matter.

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KAUFMAN said that since last discussing POTASH'S arrest with the informant, she had come to the conclusion that POTASH'S arrest had been an "accident" and that the FBI is not aware of POTASH'S having stayed at the Gramatan Hotel, in Bronxville. Had the FBI known of "the hotel angle," undoubtedly there would have been "repercussions."

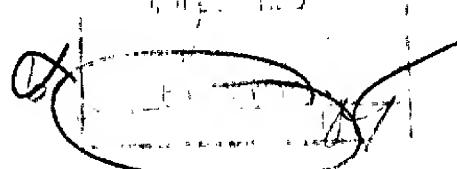
She said that the person who had accompanied her to the hotel "to clean out the room" was "SI" GERSON. GERSON, as head of the Committee for the Defense of the "Smith Act Victims," had been instructed by the CP to arrange the defense of POTASH, and assigned KAUFMAN to be POTASH's counsel.

At the time of his arrest, POTASH was greatly concerned about two matters: He was anxious that his personal effects, which he had left in Canada, remain there temporarily, and that "money which was to come in, by no means be given to his family because it was not intended for them."

3 - Bureau (62-21381)(RM)  
 (1-100-63)(CP, USA-FUNDS)  
 1 - New York (134-91)(P & C)(INVEST)(6)  
 1 - New York (100-8529)(MARY KAUFMAN)(12-15)  
 1 - New York (100-15140)(TIM BUCK)(5)  
 1 - New York (100-13473)(SIMON GERSON)(7-5)  
 1 - New York (100-27452)(ROBERT THOMPSON)(7-5)  
 1 - New York (100-74560)(CP, USA - FUNDS)(7-5)  
 1 - New York (65-16441)(SASH)(6)  
 1 - New York (100-47034)(CP, USA - INTERNATIONAL RELATIONS)(7-5)  
 1 - New York (100-47033)

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NY 100-43033

At this point, KAUFMAN asked NY 694-S\* bluntly whether he had the money to which POTASH had referred, or whether he knew where it was. NY 694-S\* replied that he knew nothing about this money. He and KAUFMAN agreed that it was of the utmost importance to trace this money. They further agreed that NY 694-S\* should discuss this matter with "BOB" THOMPSON.

KAUFMAN did not question the informant further regarding the details of the POTASH case, and they parted with the understanding that NY 694-S\* discuss the matter with "BOB" THOMPSON.

In reviewing the details of his association with POTASH, the informant recalled that, before his arrest, POTASH gave NY 694-S\* five hundred dollars to be delivered to POTASH'S daughter. The informant remembered that at the time POTASH had said, "There will be more coming in." At the time NY 694-S\* inferred that POTASH meant that further such sums of money - for the personal use of POTASH'S family - would be made available.

In the light of KAUFMAN'S remarks, however, NY 694-S\* now is of the opinion that POTASH meant that substantial amounts of money were to be made available to the CP, USA. Had POTASH not been arrested, in the informant's opinion, funds from the Soviets would have been delivered to POTASH for transfer to the Party. The informant points to the possibility that TIM BUCK, who was the custodian of POTASH'S diaries and personal possessions, may have been the depository of Soviet funds intended for the CP, USA. The informant considers it more likely, however, that at the time of POTASH'S arrest, such funds were not actually in Canada, and that only arrangements for the transfer of such funds had been made with the Soviets.

NY 694-S\* subsequently discussed this matter with "BOB" THOMPSON, who authorized the informant to interrogate TIM BUCK about the aforesaid Soviet funds when NY 694-S\* next goes to Toronto. The informant plans to go to Toronto on or about 7/2/58.

SAC 7/1  
FBI - NEW YORK

# Office Memorandum • UNITED STATES GOVERNMENT

TO :SAC, New York (134-91)(INVES)

DATE:July 2, 1958

✓ FROM :Director, FBI (100-340711)

SUBJECT: NY 694-S\*

Reurlet dated 6-20-58 captioned "Irving Potash,  
IS-C."

Based on the information set out in relet reflecting that Mary Kaufman, attorney for Irving Potash, has told NY 694-S\* that she desires to talk privately with him regarding the Potash case, you should instruct the informant to be very careful in the manner he discusses this matter with Kaufman.

This matter must be followed closely and pertinent developments should be furnished promptly to the Bureau.

134-91-1378  
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YCB

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7/14/58

PLAIN TEXT

AIRTEL

TO: DIRECTOR, FBI (100-36)

FROM: SAC, NEW YORK (100-93778)

SUBJECT: VIRGINIUS FRANK COE  
ESP - R

NY 694-S\* advised on 7/14/58 that on that date, while in conversation with ISIDORE "GIBBY" NEEDLEMAN at latter's office, NEEDLEMAN received a phone call from some one whom NEEDLEMAN addressed as "HARRY". Since there was a reference in NEEDLEMAN's comments to "HARRY" regarding IRVING KAPLAN, NY 694-S\* is of opinion "HARRY" is HARRY MAGDOFF, friend of both NEEDLEMAN and KAPLAN.. After completing call, NEEDLEMAN told NY 694-S that

- 4 - Bureau (100-364447) (RM)  
(1 - Bufile 65-62041 SASH)
- 1 - Chicago (100-SASH) (Info) (RM)
- ① - NY 134-91 (P&C) (INVES) (#6)
- 1 - NY 100-78633 (ISIDORE NEEDLEMAN) (#6)
- 1 - NY 100-85051 (MILTON FRIEDMAN) (#6)
- 1 - NY 100-21785 [redacted]
- 1 - NY 105-1322 (CHAO TING CHI)
- 1 - NY 100-1329 Survey of Chinese Communist Activity in the US)
- 1 - NY 65-16441 (SASH)
- 1 - NY 65-15257 (SOLOMON ADLER)
- 1 - NY 100-89851 (HENRY HILL COLLINS)
- 1 - NY 100-96155 (HARRY MAGDOFF) (#6)
- 1 - NY 65-15119 (IRVING KAPLAN) (#6)
- 1 - NY 105-7304 (JACK COWAN) (#1)
- 1 - NY 100-96778

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134-91-1379

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FBI - NEW YORK	
[redacted]	

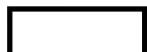
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NY 100-96778

he had just beeen informed that FRANK COE had obtained a passport. NY 694-S\* told NEEDLEMAN he was anxious to contact COE, and asked where he could be contacted at that time. He told NEEDLEMAN that on his recent trip to Toronto he had learned that JACK COWAN, Canadian CP functionary while in London recently, had been contacte by SOLOMON ADLER, intermediary between CHAO TING CHI and the American-Canadian trade group. NEEDLEMAN told NY 694-S\* that the latter could not contact COE because "COE is now in London." NEEDLEMAN furnished no further details having received apparently, no further regarding COE from "HARRY". It is noted NY 1286-S\* advised same date "HARRY" who told NEEDLEMAN about COE , was - HARRY MAGDOFF [redacted] advised on 7/11/58 that FRANK COE Was in his office, two continents Commodity Corp., at 1PM that date. NY, will attempt to ascertain approximately when COE intends to return to US so that if feasible stops may be placed against his return. It is suggested the Bureau consider the advisability of ascertaining, through contacts abroad, activities of COE.

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3/18

7/16/58

## AMERICAN

TO : DIRECTOR, FBI (100-9-31)  
 FROM : SAC, NEW YORK (100-14684)  
 SUBJECT: CP USA  
 INTERNATIONAL RELATIONS  
 EN - C

To New York airtel 7/16/58.

On 7/16/58 Agent [redacted] advised that after ELIZABETH PASCALL gave him the \$4,000.00 she said that she was about to tell him something that she shouldn't, that TIN HUOK had told her not to mention to anyone. She then went on to explain that she would have to make more special trips to NY because there is more money in Canada for the CP USA. She said that the \$4,000.00 is just a "drop in the bucket" and that TIN HUOK thought it advisable not to bring in any more than \$4,000.00 at a time since this sort of money is quite bulky.

She further related that SUCK had been thoroughly questioned by the Russians concerning the CP emblem used for transporting this money to the U. S. from Canada. They were especially concerned regarding the security factors. SUCK assured her that he was supervising the operation and that it was safe from a security standpoint. MI-14684 told SUCK that he would relieve her of making many trips in this matter since he could alternate with her.

5 - Bureau (RM)	
(1- 100-9-31 CP USA FORGE)	
(2- 100-9-31 CP USA)	
1 - Bureau (RM)	
1 - New York 100-14682 (CP USA FORGE) (7-5)	
1 - New York 100-14641 (CP USA ORGANIZATION) (7-5)	
1 - New York 100-14637 (BUREAU FORGE) (7-5)	
1 - New York 100-91 (DAMES) (7-5)	
1 - New York 100-14684	

POLAROID  
(10)

134-31-1380

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 16 1958	
FBI - NEW YORK	
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NY 100-XXXX

On 7/15/58 the informant met ROBERT DOBBS and delivered the letter from COMPTON-C. DOBBS made no comments on the contents of the letter but was extremely pleased when the informant told him about the \$10,000.00. He instructed NY-574-C to keep the money until further notice. He also advised the informant that he was to tell no one about this money or letter, not even RAYMOND TROWBRIDGE or JAMES JACKSON. DOBBS instructed that he wants to be immediately advised upon the return of COMPTON-C so that he can get the full details of the latter's trip. DOBBS also instructed the informant not to mix the money with any sum he may have in connection with the reserve fund. NY-574-C told DOBBS that he had already checked the bills which had been originally given to him and DOBBS appeared to be pleased with this security measure.

[redacted]  
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7/18/58

AIRTEL

TO : DIRECTOR, FBI (100-3-81)  
FROM : SAC, NEW YORK (100-86624)  
SUBJECT: CP, USA  
INTERNATIONAL RELATIONS  
ID - C

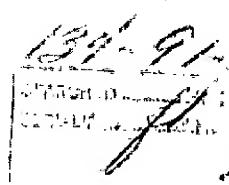
On 7/18/58 NY-694-S\* advised that a meeting was presently being held at CP headquarters, NYC, between National and State CP leaders concerning the impending war situation. Plans are being formulated to hold mass meetings and start distributing leaflets. The suggestion has also been made that an approach be made to the "Socialist Organization" (United Independent Socialist Election Conference) for joint action.

The NYO will closely follow developments in this matter.

[redacted]  
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3 - Bureau (100-3-81) (RM)  
3 - New York 134-91 (Inves. ) (6)  
1 - New York 100-26603 (NYState CP) (7-6)  
1 - New York 100-135320 (United Indep. Socialist  
Election Conference) (7-3)  
1 - New York 100-86624

DEN:mms  
(8)



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722

Date: 7/21/58

Transmit the following in \_\_\_\_\_

Via AIRTEL

(Priority or Method of Mailing)

TO : DIRECTOR, FBI (65-62041)

FROM : SAC, NEW YORK (65-16441)

SASH  
ESP - R

EXTREME CAUTION MUST BE EXERCISED WITH RESPECT TO  
DISSEMINATION OF THE INFORMATION REPORTED HEREINAFTER SINCE,  
BY ITS NATURE, THE SAID INFORMATION TENDS TO INDICATE NY 694-S,  
A HIGHLY VALUABLE INFORMANT, TO BE THE SOURCE THEREOF.

On 7/16/58, NY 694-S furnished to SA [redacted]  
the following report of his trip to Canada between 7/2 and  
7/12/58, and of other matters relevant thereto:

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28 - Bureau (65-62041) (RM)

- {1 - 100-428091 (SOLO; IS - C) )
- {1 - 100-21341 (TIM BUCK) )
- {1 - 100-232732 (ELIZABETH MASCOLO) )
- {1 - 100- (IRVING POTASH) )
- {1 - 100-364447 (VIRGINIUS FRANK COE) )
- {1 - 100-52444 (ROBERT THOMPSON) )
- {1 - 100-47736 (JAMES JACKSON) )
- {1 - 105-11990 (CHAO TING CHI) )
- {1 - 65-58751 (SOLOMON ADLER) )
- {1 - 100-408305 (JACK COWAN) )
- {1 - 100- (SAM CARR) )
- {1 - 100-341652 (ISIDORE NEEDLEMAN) )
- {1 - 105-25100 [redacted] )
- {1 - 100-15877 (EUGENE DENNIS) )
- {100- [redacted] )
- {1 - 100- (MARY KAUFMAN) )
- {1 - 100- (GEORGE BLAKE CHARNEY) )
- {1 - 100-104799 [redacted] )
- {1 - 100- [redacted] )

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ACB:cls  
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131-911-1382

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JULY 21 1958	
FBI - NEW YORK	
6	9
[redacted]	[redacted]
910	[redacted]

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Approved: \_\_\_\_\_ Sent: \_\_\_\_\_ M Per: \_\_\_\_\_  
Special Agent In Charge

NY 65-16441

(copies cont'd)

{ 1 - 100-1751 (WILLIAM LAZAR) )  
{ 1 - 100- (SAM KANTER) )  
{ 1 - 100-3-69 (CPUSA - ORGANIZATION) )  
{ 1 - 100- (CP-CANADA) )  
{ 1 - 100-3-63 (CPUSA-FUNDS) )  
{ 1 - 100-3-81 (CPUSA-INTERNATIONAL RELATIONS) )  
{ 1 - 100-3-88 (CPUSA-FACTIONALISM)  
{ 1 - 100- (CPUSA-JEWISH ACTIVITIES)  
1 - Chicago (65-3000) (SASH) (INFO) (RM)  
1 - New York (100-15140) (TIM BUCK) (6)  
1 - New York (100-57446) (ELIZABETH MASCOLO) (6)  
1 - New York (100-40833) (IRVING POTASH) (7-5)  
1 - New York (100-96778) (VIRGINIUS FRANK COE) (6)  
1 - New York (100-27452) (ROBERT THOMPSON) (7-5)  
1 - New York (105-1322) (CHAO TING CHI) (1)  
1 - New York (65-15257) (SOLOMON ADLER) (6)  
1 - New York (105-7304) (JACK COWAN) (1)  
1 - New York (100-80375) (SAM CARR) (1)  
1 - New York (100-78633) (ISIDORE NEEDLEMAN) (6)  
1 - New York (105-6808) [REDACTED] (6)  
1 - New York (100-8057) (EUGENE DENNIS) (7-5)  
1 - New York (100-68934) [REDACTED] (12-11)  
1 - New York (100-8529) (MARY KAUFMAN) (12-15)  
1 - New York (100-50806) (GEORGE BLAKE CHARNEY) (7-6)  
1 - New York (100-50983) [REDACTED] (7-6)  
1 - New York (100-52959) [REDACTED] (7-6)  
1 - New York (100-467) (WILLIAM LAZAR) (7-6)  
1 - New York (100-64070) (SAM KANTER) (12-12)  
1 - New York (100-80641) (CPUSA-ORGANIZATION) (7-5)  
1 - New York (100-51166) (CP-CANADA) (7-5)  
1 - New York (100-74560) (CPUSA-FUNDS) (7-5)  
1 - New York (100-86624) (CPUSA-INTERNATIONAL RELATIONS) (7-5)  
1 - New York (100-87211) (CPUSA-FACTIONALISM) (7-5)  
1 - New York (100-80635) (CPUSA-JEWISH ACTIVITIES) (7-5)  
1 - New York (134-91) (P&C) (Inves.) (6)  
1 - New York (65-16441)

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AIRTEL

NY 65-16441

NY 694-S arrived in Toronto on the evening of 7/2/58 and immediately contacted TIM BUCK at the latter's home. ELIZABETH MASCOLO was in the house at the time, but was not present while the informant conferred with BUCK. The informant asked BUCK whether the latter had received any communication from the individuals identified with the case entitled "SOLO; IS-C," and BUCK stated that he had not. BUCK mentioned that he had not been in contact with the Soviet Embassy in Ottawa for the past two months, that he had been in Mexico for part of that period, and that if the Soviet Embassy was in receipt of any information regarding the individuals concerning whom NY 694-S inquired, BUCK had not been advised to that effect.

BUCK said there was no reason to worry about these individuals since it was premature to expect them to have completed their assignment at this time. He said, "They may be in China, and these things take a long time. Don't worry when you don't hear anything - worry when you hear too soon." According to NY 694-S, BUCK, by this remark, meant that to have heard "too soon" from the said individuals, would indicate that they had not been successful in making contact with persons they had hoped to meet.

BUCK stated that about a month ago, Canadian CP functionaries LESLIE MORRIS and BILL KASHTON, had gone to Moscow, whence they were to go to Bulgaria, Czechoslovakia, and East Germany respectively, to attend the CP congresses in those countries. Thereafter, they were to attend the Stockholm Peace Conference. BUCK made a point of remarking that their going was not pursuant to an invitation to go, but rather pursuant to definite instructions from the Soviets to attend these functions. BUCK said that before leaving Canada, MORRIS and KASHTON had been instructed by him to try to make contact abroad with the individuals identified with the "SOLO;IS-C" case, and, if successful, to advise BUCK of such contact immediately. As yet, BUCK had heard nothing from MORRIS and KASHTON. He noted that they are scheduled to return to Canada on the 24th or 26th of July.

NY 694-S had a second meeting with BUCK on 7/3, when he briefed BUCK regarding the recent CPUSA Plenum in New York. BUCK

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considered the information most important and took copious notes thereon. He said he was in complete agreement with the actions taken by the CPUSA leaders at the Plenum. He stated that the Canadian CP does not have the problem of a strong right wing and an ultra-left faction within the Party. The most pressing problem at the moment in the Canadian CP is the Jewish question. The Jews in the Party are still pressing for an explanation of Russia's mistreatment of Jews, and receiving none, they are continuing to defect from the Party.

BUCK and NY 694-S then discussed the IRVING POTASH case. The informant told BUCK that he had ROBERT "BOB" THOMPSON's permission to advise BUCK that, according to information given by POTASH to his attorney for transmittal to the CPUSA, POTASH either had left in Canada a sum of money intended for the CPUSA, or had arranged that a sum of money be sent to Canada for transfer to the CPUSA.

BUCK denied any knowledge of this money, but furnished the following information which he thought might have some bearing on the situation:

The "Polish apparatus" had handled POTASH's "itinerary," and had furnished him with all necessary "travel documents." Contemporaneously with POTASH's arrival in Canada, the Canadian CP lost contact with the Polish legation in Canada owing to the resignation from the Party of SAM LIPSHITZ, who was the Party's liaison with the Polish legation. LIPSHITZ had joined J. B. SALZBERG in the latter's attack on the Party regarding the Jewish Question. BUCK believed it possible that the Polish legation had the money in question, and said he would consider ways and means to ascertain the facts of the matter.

BUCK and the informant met again on 7/4/58, at which time BUCK said he intended to make a contact through whom he might obtain some information regarding the individuals identified with the "SOLO;IS-C" case, and regarding the POTASH money. He said that he expected, however, to be particularly busy for the next few days with Party business, handled ordinarily by LESLIE MORRIS and BILL KASHTON, and inquired whether NY 694-S would still be in Canada on 7/12/59, at which time he hoped to have some information for NY 694-S.

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The informant told BUCK that he had come to Canada also on personal business, which would require his making some contacts in the Toronto area, and that since his arrival in Toronto, he had learned that JACK COWAN, [redacted] of Chicago, [redacted] of Buffalo, and [redacted] of Toronto were about to go on a fishing trip. NY 694-S told BUCK he would handle his personal business in Toronto, join the COWAN group on the fishing trip, and return to Toronto for a conference with BUCK on 7/12/58. BUCK was pleased with this arrangement, and said he felt certain he would have some information for NY 694-S on 7/12.

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BUCK and the informant then discussed the China Trade Operation and the absence of activity so far in the said operation. BUCK remarked that [redacted] and his partner, [redacted] [redacted] who operate the Canadian part of the China Trade Operation, are "sitting on their hands, still waiting for their first order from China."

BUCK then stated that several months ago, he learned of the presence in Canada of a Chinese trade delegation, headed by CHAO TING CHI, at whose suggestion the China Trade Operation came into being. BUCK said he had conferred with CHAO TING CHI in China. On learning of CHI's being in Canada, BUCK wrote a carefully worded note to him, advising CHI of the China Trade Operation organization in Canada and of its ability to furnish him with fertilizer which CHI had indicated he needed. BUCK also requested an opportunity to confer with CHI.

BUCK gave the note to [redacted] (not otherwise identified) for delivery to CHI or to some member of the Chinese delegation, which, at that time, was in the Winnipeg area. [redacted] found it impossible to contact anyone in the Chinese delegation, so the note was not delivered.

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A few weeks later, when the Chinese delegation was in the Montreal area, BUCK sent another note to CHI. This note was delivered to CHI, or to someone in the delegation. The messenger (not identified) received a two-word response to the note from someone - not CHI - in the delegation. The words were these: "Lay off!"

NY 65-16441

BUCK attributed this response to one of two possibilities: Either the Chinese delegation had reason to believe that it was under close surveillance by [redacted] or it was acting under instructions from the Chinese government to have no contact in Canada with the Canadian Party.

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NY 694-S left Toronto on 7/5/58 and went with the fishing party to North Bay, Ontario, where the group fished in the French river. The only pertinent information obtained during the fishing party was the following:

According to JACK COWAN, when he was in London recently, he was surprised to be visited one day by a man who introduced himself as SOLOMON ADLER, "representing your New York friends". (SOLOMON ADLER is the London contact between CHAO TING CHI and the China Trade Operation group. NY 694-S advises that he had written a note to COWAN in London, informing the latter to expect a visit from ADLER, but that COWAN had not received the note.) ADLER mentioned to COWAN that he had been instructed by FRANK COE (head of the American group in the China Trade Operation) to contact COWAN. COWAN and ADLER discussed generally the subject of trade with China, but ADLER made no mention of CHAO TING CHI. COWAN explained to ADLER the Canadian-American China Trade Operation "set-up," with which ADLER apparently was not familiar. COWAN emphasized to ADLER that since the American-Canadian China Trade Operation groups were "ready, willing and able" to do business, it was ADLER's function "to produce the customer."

NY 694-S returned to Toronto on 7/11 and visited SAM CARR. CARR told him that CP functionary [redacted] whom the informant desired to contact, was in Montreal, and would be away for several days. CARR then discussed the Jewish Question, stating that the Canadian CP adheres strictly to the "Moscow line" regarding the Jewish Question. He mentioned that, at a recent provincial convention, a CP member made particularly anti-Semitic remarks which obviously were approved by the local leadership inasmuch as the remarks were printed - without any deletions - in the official Party publication.

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CARR remarked that TIM BUCK's thinking on the Jewish Question is no different than it was before the 20th Russian

NY 65-16441

Congress. CARR predicted that there would be more defections among the Jewish CP members of the Canadian CP.

On the morning of July 12th, NY 694-S went to BUCK's home to confer with the latter, but was informed by ELIZABETH MASCOLO that BUCK had left Toronto quite unexpectedly on 7/11 and would not return until 7/14. She said BUCK suggested that it would be better that NY 694-S should not await his return. BUCK had told MASCOLO that if he should obtain the information NY 694-S desired, he would transmit the same to the informant in New York. In reply to a question from NY 694-S, MASCOLO said BUCK had gone to a meeting "somewhere in Ontario." In view of information later obtained from MASCOLO in New York (as appears hereinafter) that BUCK had gone to the Soviet Embassy in Ottawa, NY 694-S believes that MASCOLO knew where BUCK had gone, but was under instructions not to disclose his destination to the informant.

According to NY 694-S, BUCK, MASCOLO, and the informant previously had discussed MASCOLO's desire to obtain a U.S. passport. BUCK and MASCOLO had said that MASCOLO always had had a passport, and thought that in view of recent U.S. Supreme Court decisions, the time was opportune for her to obtain a passport now. BUCK and MASCOLO indicated generally that if she could obtain a passport, MASCOLO would travel, but no specific travel plans were mentioned. BUCK and MASCOLO requested that NY 694-S obtain the opinion of ISIDORE "GIBBY" NEEDLEMAN regarding the advisability of MASCOLO's going to New York to apply for a passport.

Before leaving MASCOLO, NY 694-S told her he would return immediately to New York and would confer with NEEDLEMAN on Monday, 7/14/58, regarding the passport matter.

On 7/14/58, the informant discussed the proposed passport application of MASCOLO with NEEDLEMAN, who suggested that NY 694-S telephonically contact MASCOLO in Toronto and tell her to come to NEEDLEMAN's office on Tuesday, 7/15/58, with the informant. NY 694-S contacted MASCOLO, who told him she already had train reservations to New York and that she would meet the informant at 10:30 a. m. on 7/15 at NEEDLEMAN's office.

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At NEEDLEMAN's office on 7/15/58, the passport application was discussed, NEEDLEMAN stating that by reason of the recent Supreme Court decisions, MASCOLO should have no difficulty in obtaining a passport. He advised her to fill out the passport application "legally," pointing out that it would not be necessary for her to answer questions relative to her CP status. MASCOLO and NY 694-S then left NEEDLEMAN's office.

Outside NEEDLEMAN's office, MASCOLO told NY 694-S she had "something for him." Subsequently, on the street she handed the informant a letter from one/the individuals identified with the "SOLO;IS-C" case. (The Bureau and Chicago were advised of this matter by New York airtel dated 7/15/58, captioned "CPUSA-INTERNATIONAL RELATIONS, IS-C.")

NY 694-C told MASCOLO that he had been in direct contact on the previous day with the author of the letter, who had indicated that he had sent the letter in question about a month ago. (This matter was reported to the Bureau and Chicago by New York teletype dated 7/14/58, and captioned "SOLO;IS-C")

MASCOLO told NY 694-S that TIM BUCK had been at the Soviet Embassy during the past weekend, where he had been given the letter, and a sum of money for the CPUSA. The informant and MASCOLO then went to a bank where MASCOLO gave NY 694-S two packages of money - \$4,000 in USA \$10.00 bills. From MASCOLO's remarks, the informant inferred that the author of the letter had been instrumental in obtaining this money for the CPUSA.

MASCOLO then said, "I am going to tell you something in strict confidence. If TIM knew what I am going to tell you, he would be very angry. It looks as if I'll have to make more special trips to New York because there is more money waiting in Ottawa for the CPUSA. TIM thought it inadvisable to bring more than \$4,000 because the money is so bulky. The Russians questioned TIM at length concerning the security of the channels for transporting the money from Ottawa to the CPUSA. He assured them that he would be responsible personally - that perfectly safe channels would be used."

NY 694-S told MASCOLO not to be concerned about her having to make too many trips to New York with the money. The

NY 65-16441

informant said he would relieve her of some responsibility in the matter by making some of the trips for her; that if she desired, he would make alternate trips. MASCOLO and NY 694-S then parted, MASCOLO presumably going to file an application for a passport. She said she was staying at the home of [redacted]

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[redacted] and that she would return to Toronto via train on Thursday, 7/17/58.

On 7/16/58, NY 694-S met EUGENE DENNIS and drove the latter in the informant's car about New York City for several hours while they talked. The informant gave DENNIS the letter from the individual identified with the "SOLO;IS-C" case. DENNIS read the letter without comment. NY 694-S then told DENNIS that \$4,000 had been sent to the CPUSA from "Canada," and that more was available there. DENNIS smiled broadly upon hearing this. The informant advised that he purposely avoided mentioning the Soviet Embassy in connection with the money because it is understood that DENNIS does not want to know such details. The informant told DENNIS that TIM BUCK was handling the matter.

The informant told DENNIS that as a security measure, he had changed the \$4,000 from Canada into other currency. DENNIS expressed his approval, and requested that NY 694-S retain the money until DENNIS should ask for it. He emphasized that the informant should not disclose to anyone else that he has this money and that the money not be mingled with the CPUSA Reserve Fund.

NY 694-S then told DENNIS about his contact with the individual identified with the "SOLO;IS-C" case. DENNIS was visibly excited, said that was wonderful news, and that no one else was to know about this matter. He emphasized that neither ROBERT "BOB" THOMPSON nor JAMES JACKSON should be told anything about this matter at this time. He said he desired to be the first to talk to the aforementioned individual, and that thereafter he would acquaint THOMPSON and JACKSON with the facts.

DENNIS instructed NY 694-S to inform him immediately of the presence in New York of the individual identified with the "SOLO: IS - C" case. DENNIS said that he would keep [redacted] at CP headquarters, advised of his daily

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NY 65-16441

whereabouts and that through her, NY 694-S should have no difficulty in locating DENNIS.

DENNIS then mentioned the IRVING POTASH case, stating it was the first opportunity he had to discuss the matter. He said he was very pleased that NY 694-S had handled "such a dangerous situation" so well. POTASH, he said, had made many serious mistakes. After POTASH is released from prison on 8/26/58, DENNIS will talk to him for a few weeks regarding political problems. After that, he intends "to lace it into POTASH" for the many "stupid things" the latter has done, particularly his method of coming back without notifying the Party."

DENNIS said it had been a serious mistake for POTASH to have talked so much to his attorney, MARY KAUFMAN. DENNIS believed POTASH had done so as a result of panic. He should have taken his punishment silently. He should not have mentioned his clothes to KAUFMAN.

At this point, NY 694-S interjected the comment, "I have news for you - he not only mentioned the clothes, but also his diaries." The informant then proceeded to describe the said diaries. Upon hearing this, DENNIS, according to NY 694-S, "almost dropped dead." He was furious, and said, "A diary should be kept in your head - not in a book!"

The informant then mentioned the fact that upon being arrested, POTASH had in his pocket the telephone number of NY 694-S' wife. DENNIS said he was hearing about this for the first time and again expressed his anger at POTASH.

NY 694-S then explained the seriousness of the situation after the arrest of POTASH - the fact that in the hotel room in Bronxville, there were documents of the greatest value to the CP, which, if they had fallen into the hands of the FBI, would have been "explosive." The informant explained the dilemma confronting him when he had to choose between destroying the documents and risking being apprehended with them on his person. DENNIS again commended NY 694-S for his good judgment and excellent handling of a bad situation.

NY 694-S then mentioned to DENNIS the matter of the money

NY 65-16441

allegedly left in Canada by POTASH, and the fact that MARY KAUFMAN was aware of this matter also. DENNIS said KAUFMAN should not have been told about this, and that at some future date, he would discuss this matter again with the informant. The informant told DENNIS that TIM BUCK currently is investigating the allegation.

DENNIS then discussed the Jewish Question, which, he said, is international in nature in that the Jewish anti-Party people maintain liaison with similar groups in Canada, France, England, Argentina, and Israel. DENNIS said he anticipates serious trouble here regarding the Jewish Question. He said that the CPUSA plans to send to Canada for discussions with the Canadian CP concerning the Jewish Question, V. J. JEROME, a member of the CPUSA, Jewish Sub-Committee.

NY 694-S told DENNIS that JEROME should talk first to TIM BUCK because many of the Canadian CP Jewish functionaries are not to be trusted. The informant suggested that DENNIS advise him in advance regarding JEROME's trip to Toronto so that the informant could arrange that TIM BUCK be there on JEROME's arrival. DENNIS thought this suggestion was good. The informant further suggested that JEROME's trip be postponed until DENNIS should have an opportunity to talk to the individual identified with the "SOLO; IS - C" case, who might furnish information from authoritative sources which could be subject of discussion by JEROME and the Canadian CP. DENNIS thought well of this suggestion also.

DENNIS' final comments to NY 694-S concerned the embezzlement of CP funds. Referring indirectly to GEORGE ELAKE CHARNEY, [REDACTED] and possibly "BILL" LAWRENCE (WILLIAM LAZAR), DENNIS said these individuals not only embezzled CP funds, but had bought businesses from one another, reselling the business to one another at ridiculously low prices. Also, he said, before leaving the Party, they gave themselves "fantastic severance pay." He said that the Party had been victimized from both sides - the Right Wing and the Ultra-Left." He mentioned that SAM KANTER, of Brooklyn, had spent \$6,000 in moving his furniture to the West Coast.

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NY 65-16441

According to DENNIS, the amount of money lost by the Party as a result of "business manipulations and severance pay" equals that lost by embezzlements. He said that "some guy" received \$20,000 in severance pay. DENNIS said that in the future, no individual should be allowed to control large sums of money - that such money should be controlled by "a group of trustees."

DENNIS left NY 694-S, remarking that his conference with the latter had been "very fruitful."

7/15/58

AIRTEL

TO : DIRECTOR, FBI (100-3-81)  
FROM : SAC, NEW YORK (100-86624)  
SUBJECT: CP, USA  
INTERNATIONAL RELATIONS  
IS - C

NY-694-S\* was in Canada from 7/3/58 to 7/11/58. While there he mentioned to TIM BUCK that he had not heard from CG-5824-S\* since his departure. BUCK's comment was only that he had not seen the Russians for two months.

On 7/15/58 NY-694-S\* advised that on that date he met ELIZABETH MASCOLA (BUCK's girl friend) this date at the office of ISIDORE NEEDLEMAN. At this time MASCOLA turned over to the informant, in \$10.00 bills, the sum of \$4,000.00 and a one page letter.

The NYO has recorded the serial numbers of the bills and made Photostats of the letter. A copy of the letter is being transmitted as an enclosure to this airtel to the Bureau and Chicago. The money and the letter were returned to NY-694-S\* this date and the informant has indicated he will turn them over to EUGENE DENNIS at the earliest possible date.

The informant was interviewed regarding the apparent use of coded language in the letter and following is the informant's opinion as to the true meaning of the content of the letter:

- 5 - Bureau (Enc. 1) (RM)  
(1 - 100-3-63 CP USA FUNDS)  
(1 - 100-3-69 CP, USA)
- 1 - Chicago (Enc. 1) (RM)
- 1 - New York 100-74560 (CP USA FUNDS)(7-5)
- 1 - New York 100-80641 (CP USA ORGANIZATION)(7-5)
- 1 - New York 100-8057 (EUGENE DENNIS)(7-5)
- 1 - New York 100-86624

RLP:mms

(11)

① Supr J. J. KEARNEY 705

1cc for 134-91

Det

7-5

NY 100-86624

Dear Comrade, (refers to EUGENE DENNIS)

Very good friend refers to TIM BOWE.

Wonderful rest and vacation indicates CO-5824-S\* has received a good reception by the Russians.

The references to Oregon, Washington and the West Coast refer to areas in Russia having similar weather or terrain as those mentioned.

Veteran comrades are mutual Russian acquaintances.

February plenum refers to the CP, USA National Convention, 1957.

Comment re leadership elected at February meeting is an apparent rebuke of the election of individuals such as SID STEIN and FRED FINE as members of the NC.

The comment regarding the present leadership having carried on a vigorous and heroic battle, according to the informant, is the Russians' stated praise of GENE DENNIS' efforts to organize the CP, USA.

Monterey - Moscow.

References to "The Worker" and the "People's World," according to NY-694-S\*, indicate that the Russians will furnish financial support for their continuance. According to the informant, such an arrangement might be worked out whereby the Russians would furnish a sum matching the stated fund drive thereby allowing the CP, USA to record such a sum as coming from the fund drive and transferring any amount over that to a Reserve Fund.

The next to last paragraph sets forth the Party line regarding the actions of TITO.

7/16/58

APPENDIX

TO : DIRECTOR, NY (100-3-61)  
FROM : SAC, NEW YORK (100-B6C4)  
SUBJECT: CP, USA  
INTERNATIONAL RELATIONS  
IS - C

Re New York airtel dated 7/15/58.

On 7/16/58 NY-694-C\* advised that upon further recollection he now feels that the February plenum mentioned in the letter from CP-594-C\* actually refers to the February 15, 16, 1958 NC meeting and that the Soviets apparently approved of the report of EUGENE DENNIS and revisionism. The informant further advised that the comments regarding leadership elected at the February, 1958, meeting referred to the omission of people like ALF SPLEN and PHIL FINE from the NC formed at that meeting,

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S - Bureau (RM)  
(1 - 100-3-63 CP USA FUNDS)  
(1 - 100-3-69 CP USA)  
1 - Chicago (RM)  
1 - New York 100-74560 (CP USA FUNDS) (7-5)  
1 - New York 100-30641 (CP USA ORGANIZATION) (7-5)  
1 - New York 100-3957 (EUGENE DENNIS) (7-5)  
1 - New York 100-36664

PERIOD  
(1)

1 Supr J. J. KEARNEY 7-5

Ice for 134-91

Dept  
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7/18/58

7/18/58

AIRTEL

TO : DIRECTOR, FBI (100-3-81)  
FROM : SAC, NEW YORK (100-3-124)  
SUBJECT: CP, USA  
INTERNATIONAL RELATIONS  
LJ - C

On 7/18/58 NY-694-S\* advised that EUGENE DENNIS instructed him to make arrangements with CG-5824-S\* to meet DENNIS at West 149th Street and Riverside Drive at 10:30 A.M. on Wednesday 7/23/58.

DENNIS said that CG-5824-S\* should plan on spending the day with him and that NY-694-S\* should secure a car other than his own and bring CG-5824-S\* to the designated location.

[redacted]  
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b7C

3 - Bureau (100-3-81) (RM)  
1 - Chicago (RM)  
2 - New York 134-91 (Inves.) (6)  
1 - New York 100-8057 (EUGENE DENNIS) (7-5)  
1 - New York 100-86624

DENNIS  
(8)

134-91-1385

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 18 1958	
FBI - NEW YORK	

DKV b6  
b7C

#6

7/14

F B I

Date: 7/18/58  
 Transmit the following in PLAIN TEXT  
 (Type in plain text or code)  
 Via AIRTEL  
 (Priority or Method of Mailing)

TO: DIRECTOR, FBI (105-31942)  
 FROM: SAC, NEW YORK (100-118948)  
 SUBJECT: [REDACTED] was.  
 IS - R

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b7C

Re NY airtel dated 7/15/58.

NY 694-S\* advised that on the evening of 7/15/58, ISIDORE GIBBY NEEDLEMAN telephonically contacted NY 694-S\* and told him that [REDACTED] would bring to the informant on the morning of 7/16/58, a letter for [REDACTED] which he desired that the informant transmit to TIM BRICK (CP Canadian Functionary) for forwarding to the [REDACTED] (in Russia). On the morning of 7/16/58, [REDACTED] gave NY 694-S\* at the latter's residence, a letter which was

7-Bureau (105-31942) (Enclos.4) (RM)  
 (1-105-38306) [REDACTED]  
 (1-105-38307) [REDACTED]  
 (1-100-341652) (ISIDORE GIBBY NEEDLEMAN)  
 (1-101-1384) [REDACTED]

4-Washington Field (Info) (Enclos.4) (RM)  
 (1-105-3464) [REDACTED]  
 (1-105-12050) [REDACTED]  
 (1-105-12051) [REDACTED]  
 (1-101-1059) [REDACTED]

b6  
b7C

1- New York (105-11491) [REDACTED] (#6)  
 1- New York (100-76321) [REDACTED] (#6)  
 1- New York (100-78633) (ISIDORE GIBBY NEEDLEMAN) (#6)  
 1- New York (100-111386) [REDACTED] (#6)  
 1-New York (105-11563) [REDACTED] (#6)  
 1-New York (134-91) (Inves) (#6)  
 1-New York (100-118948)

JFD:bxb  
(19) 1/2 (5)

134-917-1386

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 18 1958	
FBI - NEW YORK	

[REDACTED]

b6  
b7C

NY 100-118948

sealed, the envelope of which bore the name [redacted]  
Photographs of this envelope and letter are enclosed  
herewith.

NY 694-S\* advised that at the first opportunity,  
he will give this letter to TIMBUCK in Canada. It is  
noted that the envelope bears the printed name [redacted]  
[redacted] and is an answer to the letter [redacted]  
received by mail on 7/14/58, from the [redacted] group.

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b7C

The first  $2\frac{1}{2}$  pages of this letter are in the  
handwriting of [redacted] subject's wife. The  
last  $\frac{1}{2}$  of the third page is in the subject's handwriting.



7/24/58

# Office Memorandum • UNITED STATES GOVERNMENT

TO : SAC, NEW YORK (100-74560-Sub) DATE: 7/24/58

FROM :

b6  
b7c

SUBJECT: CPUSA-FUNDS  
IS-C

On 7/18/58, NY 694-S\* received \$4000. in \$10. bills from ELIZABETH MASCOLA for transmittal to EUGENE DENNIS. The NYO has prepared a listing of identifying data concerning these bills, three copies of which are being made attachments to this memo.

A comparison was made of this list with list of currency issued by the US to representatives of the USSR, maintained by Section 17, with negative results.

In view of the fact that additional monies will be received in such manner it is recommended a separate sub-file be opened under 100-74560 for inclusion of such data.

1 100-74560 Sub

ATTACH 3

① 134-91

ATTACH 1

*invest*

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 24 1958	
FBI - NEW YORK	

[Redacted stamp area]

b6  
b7c

7/27

7/24/58

PLAIN

TELETYPE

DEFERRED

TO: DIRECTOR, FBI  
FROM: SAC, NEW YORK (100-9365) (TIME: ONE TEN PM)

WILLIAM Z. FOSTER, IS DASH C, BUFILE SIXTYONE DASH THREE THIRTY, NY SIX NINE FOUR DASH S ASTERISK, ON JULY TWENTYFOUR INSTANT, ADVISED THAT IN THE PRESENCE OF THIS INFORMANT AND CG FIVE EIGHT TWO FOUR DASH S ASTERISK, JAMES JACKSON STATED THAT WILLIAM Z. FOSTER HAD A QUOTE BAD STROKE UNQUOTE TWO DAYS AGO.

[redacted]  
b6  
b7c

(1) - 134-91 (Inv)(7-5)  
I - 100-16785 (JAMES JACKSON)(7-5)

JEK:mfd (7-5)  
(4)  
(1) - Supervisor JOHN KEARNEY)

134-91-1388  
7-24-58  
7/24/58 1958

*[Signature]*

7/25/58

ENCODE IN FULL

TELETYPE

URGENT

TO: DIRECTOR, FBI AND SAC, CHICAGO  
FROM: SAC, NEW YORK (66-6989) TIME: 10:00 a.m.  
CG FIVE EIGHT TWO FOUR DASH S ASTERISK, NY SIX NINE FOUR DASH S  
ASTERISK. CAPTIONED INFORMANTS AND [REDACTED]

[REDACTED] ARE SCHEDULED TO DEPART NYC FOR CG VIA TWA AT THREE THIRTY P.M. JULY TWENTYFIVE INSTANT. NY INFORMANT WILL ATTEND CONVENTION OF NATIONAL AUDIO VISUAL SOCIETY AT HOTEL MORRISON, CG, JULY TWENTYSIX THROUGH TWENTYNINE NEXT. NY SIX NINE FOUR DASH S ASTERISK, AND IN ALL PROBABILITY CG FIVE EIGHT TWO FOUR DASH S ASTERISK, WILL THEN PROCEED TO TORONTO, CANADA, TO SEE TIM BUCK IN CONNECTION WITH FUNDS BEING TRANSMITTED FROM THE CP SU TO THE CP USA. SA J. E. KEATING WILL DEPART NYC FOR CG VIA AMERICAN AIRLINES FIVE P.M., JULY TWENTYFIVE INSTANT AND FURTHER INTERVIEWS WITH CG FIVE EIGHT TWO FOUR DASH S ASTERISK IN REGARD TO THE SOLO OPERATION WILL BE CONDUCTED DURING THE WEEK END OF JULY TWENTYSIX, FIFTYSEVEN.

POSTER

1 - NY 134-91 (INV) (7-5)  
1 - NY 66-6989 (INV) (7-5)

JEK:msb (7-5)  
(3)

1 - SUPERVISOR [REDACTED] (7)

134-91-1389

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 25 1958	
FBI - NEW YORK	

# 134-91-1389  
# 7-5

b6  
b7c

7/25

FBI

DATE: 7/25/58

Transmit the following in \_\_\_\_\_

Via AIRTEL

TO : DIRECTOR, FBI (100-364447)

FROM : SAC, NEW YORK (100-96778)

SUBJECT: VIRGINIUS FRANK COE, was.  
ESPIONAGE - R

Remyairtel dated 7/14/58.

[redacted] advised SA [redacted] HANG on 7/23/58,  
that during a conversation with [redacted] within the last  
week, [redacted] stated that [redacted] FRANK COE had gone  
to England while enroute to China, however, while in England

b6  
b7C  
b7D

- 4- Bureau (100-364447)(RM)  
(1- 65-62041)(SASH)
- 1- Chicago (100-SASH) (INFO)(RM)
- 1- New York [redacted] (P&C) 7
- ① New York (134-91)(P&C) 7
- 1- New York (100-78633)(ISIDORE NEEDLEMAN)6
- 1- New York (100-85051)(MILTON FRIEDMAN)6
- 1- New York (100-21785) [redacted] 6
- 1- New York (105-1322)(Chao Ting Chi) 1
- 1- New York (105-1329)(Survey of Chinese Communist  
Activity in US) 1
- 1- New York (65-16441)(SASH)6
- 1- New York (65-15257)(SOLOMON ADLER)6
- 1- New York (100-96778)

b6  
b7C  
b7D

RAM:ptp  
(20)

(V) ✓

134-91-1396

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 21 1958	
FBI - NEW YORK	

[redacted]

POL

b6  
b7C

UNW.

NY 100-96778

the subject obtained a job "of sufficient means", has sent for his wife and child and intends to live in England. He has discontinued his trip to China.

It is noted that [redacted] previously asked [redacted] to make a trip to Canada in connection with the China Trade Operation. During instant conversation [redacted] told the informant that this trip would not be necessary because "it would not solve the main problem". The informant could not discreetly obtain any further information concerning the subject's plans but expects to be in contact with [redacted] in the near future and will be alert to any further information concerning the above matter.

b6  
b7C  
b7D

NYO will place stops against the subject's return to the United States.

[redacted]  
b6  
b7C

COPIES CONTINUED

- 1- New York (100-89851) (HENRY HILL COLLINS) 7-4
- 1- New York (100-66938) [redacted] 7
- 1- New York (100-15140) (TIM BUCK) 6
- 1- New York (105-7304) (JACK COWAN) 1

b6  
b7C

AIRTEL

TO : DIRECTOR, FBI (65-62041)  
FROM : SAC, NEW YORK (65-18441)  
SUBJECT: SASH  
ESP-R

~~WARNING: CAUTION MUST BE EXERCISED WITH RESPECT TO  
DISSEMINATION OR USE OF THE INFORMATION REPORTED IN THIS MESSAGE BY THE  
FEDERAL BUREAU OF INVESTIGATION, TORONTO, CANADA, AS IT IS THE PROPERTY OF NY 694-S.  
A FEDERAL BUREAU OF INVESTIGATION  
ATTACHMENT.~~

On 6/5/50, NY 694-S orally furnished to SA [REDACTED] b6 b7c the following report of his trip to Canada between 7/3/50, and 7/4/50, and of other matters relevant thereto.

RELEVANT

NY 694-S arrived in Toronto on 7/3/50, and contacted TIM BUCK, at the latter's residence for the purpose of setting up an appointment for CO 5024-S to meet with BUCK in the next few days. It was agreed between TIM BUCK and the informant that BUCK would meet with CO 5024-S on 7/4/50, and in the meanwhile BUCK would contact the Russians to see if anything (money) would be ready for delivery to the American CP, via CO 5024-S. NY 694-S advised that CO 5024-S arrived in Toronto at 2:00 a.m., on 7/4/50, and met with TIM BUCK on that date at 10:00 a.m., at the latter's residence.

- 4 - Bureau (65-62041)  
(1 - 10-3-61) (CP, USA International Relations)
- 1 - Chicago (134-46) (INFO.) (7-5)
- 1 - New York (100-3624) (CP, USA International Relations) (7-5)
- ① - New York (134-91) (Investigative) (7-5)
- 1 - New York (100-51168) (CP of Canada) (7-5)
- 1 - New York (100-15140) (TM 2000) (7-5)
- 1 - New York (65-18441)

DRAINED /  
(11)

1 - Supervisor #7

134-71-1391

2-3 ✓  
[REDACTED]

9CB

H-5

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NY 694-3

NY 694-3 departed from Toronto on 4/4/58, and arrived in NYC at 5:00 p.m., on the same date. NY 694-3 advised that NY 694-3 has tentatively planned to depart from Toronto on 4/5/58, if he is able to finish his business with TIM BUCK.

NY 694-3 advised that while in Toronto, he engaged in extensive conversations with TIM BUCK and [REDACTED] (member of the National Committee of the CP).

b6  
b7c

BUCK advised NY 694-3 that WILLIAM KASTAN and LESLIE MORRIS, both members of the CP of Canada, had arrived back in Canada several days previous. BUCK stated KASTAN and MORRIS had attended the Bulgarian, Czechoslovakian, and East German CP Congresses as well as the Stockholm Peace Conference, had spent several days in Hungary, and had spent five days in Moscow, just prior to their return to Canada.

TIM BUCK asked NY 694-3 to convey an important matter to EUGENE DENNIS. It being noted, NY 694-3 advises the following information was received by BUCK from KASTAN and MORRIS, who in turn received from sources in Moscow.

BUCK instructed NY 694-3 to advise EUGENE DENNIS that the English edition of the publication "World Marxist Review" will be printed in the near future in Canada. BUCK stated that the editors and staff of this publication will be located in Prague, Czechoslovakia, which will be the headquarters of the journal. The translated text will be shipped from Prague to Canada, where the English translation of the publication will be printed. BUCK instructed NY 694-3 to advise EUGENE DENNIS that the machinery for distribution of the "World Marxist Review" in the US should be immediately set in motion. BUCK stated the "World Marxist Review" people had suggested that a full time position be established in the US for a person to promote the distribution of this journal. BUCK stated that the distribution of the journal should be as wide as possible, and as large as possible.

NY 69-16441

He said that the price of the journal will be reduced to 35 cents per copy instead of 50 cents, and perhaps the yearly subscription will be \$2.00. According to BUCK the first issue of the "World Marxist Review" is scheduled to be published in October, 1956.

BUCK further told NY 694-3 to advise DENNIS, that it was originally proposed and that it would have been a more ideal set up if the English edition of "World Marxist Review" could have been printed in the US, but because as the legal means were an obstacle (i.e., the Foreign Agents Registration Act) the decision to print it in Canada was made.

NY 694-3 stated that TIN BUCK definitely indicated that the above information was received by him from ARTHUR NORRIS who in turn had carried the message directly to Canada from Moscow. NY 694-3 stated the "World Marxist Review" would be a magazine similar in nature to the publication "For a Lasting Peace for a People's Democracy", and would be a "World CP Journal" controlled and dominated by Moscow in carrying the Communist lines for all Communist Parties of the world.

NY 694-3 advised that CG 5894-8 was more familiar with the editor and staff of the publication "World Marxist Review", and possibly would be in a position to further elaborate regarding its publication.

TIN BUCK further advised NY 694-3 that KILL KASTAN and ARTHUR NORRIS had told him that Premier JANOS KADAR, the Hungarian leader, in a private gathering which consisted of the heads of the foreign delegations in both the Bulgarian and Czechoslovakian CP Congresses had told them that the timing of the IMRE NAGY execution in Hungary had to take place when it did. According to BUCK, KADAR insisted "it had to be done" and explained that the executions were necessary to take place when they did due to the inner pressures within Hungary. KADAR, according to BUCK's information, from NORRIS and KASTAN, told those leaders of the delegations present, that he knew there

NY 65-16441

were many in the room who either as individuals or representatives of their respective parties opposed these executions. KADAR stated that "we were aware and are aware" that the timing was not of the best, but it was necessary that the executions took place when they did. KADAR stated "in time we will be able to give you the full details-but not now." KADAR further stated, according to MUCK's information, that they could not stop the state apparatus (a reference to the State Police of Hungary) which were in full motion.

At this point, WIN MUCK attempted to explain that KADAR meant that the Hungarians are deeply concerned regarding the internal situation in Hungary in which many Fascists were left behind to infiltrate when the revolt was crushed. MUCK expressed the belief that the statement "that the state apparatus were in motion" meant that the Security Forces in Hungary were seeking everyone who they suspected in sympathy with the revolution and that KADAR had indicated a purge was underway. MUCK stated that the timing of the executions probably served to give notice to the Fascists or "Imperialistic Infiltrators" remaining in Hungary.

WT 694-S stated that he believes the Hungarians are deeply concerned regarding the revolutionary forces still in Hungary, and the Security Forces are apparently carrying on a continuous search of such imperialistic infiltrators.

NY 45-16041

To confirm the above contents of KADAR,  
DUKE stated that LUDVÍK MÁRTEK and VILMOS KASTAY  
had had a private conversation with one KALDIK,  
who is reportedly the PM in Command in Hungary.  
KALDIK, according to DUKE stated that some of  
KASTAY, but explained were the concern that  
had resulted from the Hungarian executions. In  
fact, he said, they (Hungarians) were severely  
criticized by the Russians for the timing  
of the executions, which at the time did not  
help the Russians in their pressure for a Soviet  
conference.

DUKE stated that, KALDIK said that there  
would be "many, many, many more" executions in  
Hungary in time to come.

In connection with the status of the  
Hungarian CP, KALDIK advised KOMINS and KASTAY  
that:

1. CP Membership in Hungary had reached  
four hundred thousand and after the revolution  
it was agreed that the party would be maintained  
at this membership, with no more or no less.

2. The greatest problem within the Hungarian  
Party is ideology. It is necessary that the  
Hungarian Party strengthen its ideology. The four  
hundred thousand members in a large part  
represents new people who are not old line communists.

NY 3-1441

and the most serious immediate problem is to raise those comrades struc. Staunch Communists.

3. The Trade Unions in Hungary have been strengthened and have fallen into line and no longer present a problem.

KRUSZ stated that the greatest weakness within Hungary is the problem of youth.

THE ROCK further related that the strongest CP within the Soviet Union in the Hungarian Socialist Party is the Constitutional CP.

ROCK stated that he had determined from KRUSZ and EASTIN that the next commanding fact to come out of the East Germany CP Congress was that by 1965 East Germany would have a larger industrial production than West Germany.

KRUSZ and EASTIN advised ROCK that  
As a personal communication with [redacted]

[redacted] both members of the Central Committee of the CP of Poland were advised that no problems or trouble will be coming in the future from the publication, "Solidarnosc" Polish Jewish newspaper which revolved the first revelations of the persecution of Jews in the Soviet Union. ROCK indicated to NY 3-1441 that the people on this publication had either been purged or put in line.

The above is for information and the Bureau will be advised of further pertinent details regarding informant's recent trip to Canada.  
[redacted]

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SAC, NEW YORK (100-129174)(7-5)

8/6/58

SA [REDACTED] (7-0)

b6  
b7c

CP, USA  
COVER COMPANIES  
(ANTIQUE SHOPS)  
IS - C

On 8/5/58, the "antique shops" operation was thoroughly reviewed with NY 694-S\* and it was impressed upon the informant that it was important that he keep the NYO fully apprised of all information coming to his attention concerning the antique shop operation and particularly from IRVING POTASH.

NY 694-S\* advised that nothing would be accomplished on the antique shop operation by the CP, USA, for a period of time after IRVING POTASH is released from prison. NY 694-S\* pointed out that he has been advised by CP officials, especially EUGENE DENNIS, "to stay clear" from IRVING POTASH when he first is released from jail until he receives an "OK" from EUGENE DENNIS. Informant stated that depending upon DENNIS' approval and circumstances at the time, the informant will contact and talk to IRVING POTASH to determine further details and plans regarding the antique shop operation.

NY 694-S\* commented that the informant felt he himself is in all likelihood the "key person" in connection with the antique shop operation and that no steps would be taken by the CP, USA, in connection with the operation without consulting with the informant.

NY 694-S\* has been instructed to alert the NYO immediately when any information regarding the antique shop operation comes to his attention.

- 1 - NY 134-91 (Inv)(7-0)
- 1 - NY 100-48033 (IRVING POTASH)(7-2)
- 1 - NY 100-8057 (EUGENE DENNIS)(7-5)
- 1 - NY 100-129174 (7-5)

100-91-1392

DR:mfd  
(4)

DR

8/7

F B I

Date: 8/6/58

Transmit the following in \_\_\_\_\_  
 (Type in plain text or code)

Via AIRTEL \_\_\_\_\_  
 (Priority or Method of Mailing)

-----

TO: DIRECTOR, FBI (100-3-63)  
 FROM: SAC, NEW YORK (100-74560)  
 SUBJECT: CP, USA  
 FUNDS  
 IS - C

Utmost care must be used in handling and reporting  
the following information in order to protect the identity of  
the informant.

On 8/5/58, NY 694-S\*, who has furnished reliable information in the past, orally advised SA [redacted] that just prior to informant's departure for Chicago and Canada (7/25/58), informant received from ALEXANDER TRACHTENBERG the sum of \$4460 in cash. TRACHTENBERG instructed the informant to have this money "laundered" (f.e. exchanged for other paper currency) and to return it to him as soon as possible. NY 694-S\* stated that undoubtedly this money came from "the other side" or from a Soviet source of ALEXANDER TRACHTENBERG inside the United States.

b6  
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NY 694-S\* commented that the CP, USA, especially does not desire to have US currency printed in the year 1934 as apparently bills of this year are associated in some manner with the Soviet Union.

- 6 - BUREAU (100-3-63)(RM)(Encl. 1)  
 (1 - 65-62041)(SASH)  
 (1 - 100-3-81}{CP, USA, International Relations)  
 (1 - 100-}[IRVING POTASH)  
 1 - NY 134-91 (Inv)(7-5)  
 1 - NY 65-16441 (SASH)(6)  
 1 - NY 100-86624 (CP, USA, International Relations)(7-5)  
 1 - NY 100-48033 (IRVING POTASH)(7-5)  
 1 - NY 100-128861 (CP, USA, Reserve Funds)(7-5)  
 1 - NY 100-15140 (TIM BUCK)(6)  
 1 - NY 100-57446 (ELIZABETH MASCOLO)(6)  
 1 - NY 100-21421 (ALEXANDER TRACHTENBERG)(7-5)  
 1 - NY 100-51166 (CP of Canada)(7-5)  
 1 - NY 100-74560 (7-5)

134-91-1393

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 6 1958	
FBI - NEW YORK	

DR:mfd (7-0)  
 (17)

DR

NY 100-74560

On 8/5/58, NY 694-S\* made available to the NYO the \$4460 and at his request he was given \$3400 in bills of \$10 denomination in exchange with the stipulation that the balance of \$1060<sup>b6</sup> returned to him within the week.

The \$4460 of TRACHTENBERG's money, made available by NY 694-S\* to the NYO, consists of Federal Reserve Notes in denominations as follows:

207 bills in \$20 denomination  
17 bills in \$10 denomination  
3 bills in \$50 denomination

The serial numbers of these bills are being checked by the NYO against the known serial numbers of currency issued to Soviet establishments in NYC and Washington, D.C. and the Bureau will be advised of any positive results.

A copy of the serial numbers of the \$4460 in currency, which informant received from TRACHTENBERG, is attached to the original copy of this airtel designated for the Bureau. Additional copies of the serial numbers are attached to copies of this airtel designated for the NY files on CP, USA, Funds, CP, USA, Reserve Funds and NY 694-S\*.

NY 694-S\* orally advised SA [redacted] on the morning of 8/6/58, that he had returned the \$3400 to TRACHTENBERG on that date and that TRACHTENBERG was advised by the informant that the balance of \$1060 had not as yet been "laundered", but would be returned within the week.

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Reference is made to NY airtel dated 7/21/58, captioned "SASH; ESP-R", wherein it is set out that on 7/15/58, NY 694-S\* received the sum of \$4000 from ELIZABETH MASCOLO in NYC, which money MASCOLO had received from TIM BUCK, who in turn had received the money from the Russians, apparently designated for the CP, USA.

On 8/6/58, NY 694-S\* advised that while in Canada during the previous week, he had determined in conference with TIM BUCK that the above \$4000 was actually that money from the Russians that was "following IRVING POTASH." BUCK stated that for security reasons he had been unable to previously advise the

NY 100-74560

informant that this was the "POTASH money" and the Russians previously had not made the money available in view of the fact that POTASH was in prison and they had not prior to this time realized there was anyone authorized to receive the money.

NY 694-S\* commented that he has been instructed by EUGENE DENNIS to "put away" the \$4000 and not to tell anyone regarding these funds. NY 694-S\* will retain custody of these funds until he receives specific instructions from DENNIS.

The NYO is carefully following these matters and the Bureau will be kept advised of any pertinent developments.



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b7

DIRECTOR, FBI (100-3-81)

8/6/58

SAC, NEW YORK (100-86624) (7-5)

CP, USA  
INTERNATIONAL RELATIONS  
IS - C

Urgent care must be used in handling and reporting the following information in order to protect the interest of the informant.

On 8/5/58, NY 694-S\*, who has furnished reliable information in the past, made available to SA [REDACTED] a handwritten note directed to TIM (DUCK) from LESLIE (MORRIS). NY 694-S\* advised that he received this note from TIM DUCK in Toronto, Canada during the preceding week and DUCK had instructed informant to deliver the note to EUGENE DENNIS.

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The handwritten note was Photostated by the NYO and returned to NY 694-S\* on 8/6/58. Informant stated he would deliver it to DENNIS at the earliest possible date.

This note reads as follows:

"Tim - In case I forget - in Berlin [REDACTED]  
asked me if we could not suggest to the CPUSA [REDACTED]  
[REDACTED] - also "in exile", (in Poland) - but a very able  
writer - could not, even in an "unofficial" capacity (because  
of CPUSA's "inner" situation) be asked by CPUSA, pr Goss, to  
work as an editorial worker on the new journal - where, she is  
sure - he would be very helpful. (He is now doing some work  
in preparation for a coming conference, or seminar, on impoverish-  
ment.)

b6  
b7C

"I promised her I would pass this on to you.

/s/ Leslie

- 5 - Bureau (100-3-81) (RM)  
(1 - 65-62041) (SASH) [REDACTED]  
(1 - 100-250740) [REDACTED]  
(1 - 100-18739) [REDACTED]  
1 - NY 134-91 (Inv) (7-0) [REDACTED]  
1 - NY 65-15441 (SASH) (6) [REDACTED]  
1 - NY 100-30873 [REDACTED] (7-6) [REDACTED]  
1 - NY 100-26915 [REDACTED] (7-2) [REDACTED]  
1 - NY 100-8057 (EUGENE DENNIS) (7-5) [REDACTED]  
1 - NY 100-86624 (7-5) [REDACTED]

1394

b6  
b7C

DR:jmf  
11)

DR

NY 100-86694

It is noted TIM BUCK is the leader of the LPP (CP) of Canada and LESLIE MORRIS is a member of the National Committee of the LPP, who has recently returned from a visit to Europe including the Soviet Union and other Soviet Satellite countries.

[redacted] voluntarily departed from the US for Poland on 11/10/50. When she departed she was under deportation orders.

b6  
b7C

[redacted] voluntarily departed from the US on 3/10/51, for Poland, and he too was the subject of a deportation proceeding at the time of his departure.

It is noted NY 694-S\* has advised that the "World Marxist Review" will be published in English in Canada and the first edition is scheduled for October, 1958. Informant has identified this publication as a world Communist journal, having its headquarters in Prague, Czechoslovakia, which will be completely dominated and controlled by the Soviet Union and which will be a transmission belt for the Communist Parties of the world.

Photostats of the handwritten note, described above, are attached to the copy of this letter designated for the NY case files on [redacted]

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For information.

8/7

F B I

Date: 8/6/58

Transmit the following in \_\_\_\_\_  
(Type in plain text or code)

Via AIRTEL \_\_\_\_\_  
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (105-31942)  
FROM : SAC, NEW YORK (100-118948)  
SUBJECT: MAX SEBORER  
ESP - R

Utmost care must be used in handling and reporting  
the following information to protect identity of informant.

On 8/6/58, NY 694-S\*, who has furnished reliable information in the past (conceal), orally advised SA [redacted] that in the past week while in Canada, he delivered to TIM BUCK (leader of LPP of Canada) a letter from [redacted] which letter was specified by the informant to be delivered by BUCK to the Russians. It is noted that NY 694-S\* assumed that this letter would be transmitted to the Russians by the Canadians in the usual manner.

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TIM BUCK advised NY 694-S\* that the letter would be delivered in person to the Soviet Union, other than by diplomatic pouch. BUCK stated that [redacted] (identified by NY 694-S\* as member of National Committee of LPP in charge of language groups other than Jewish and associated with the Canadian

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b7C

4 - Bureau - (105-31942) (RM)  
- (1 - 65-62041) (SASH) (RM)  
2 - WFO-(105-12050) [redacted] (RM)  
- (1 - 105-12051) [redacted]  
1 - NY 134-91 (INV) (7-5)  
1 - NY 65-16441 (SASH) (6)  
1 - NY 105-11491 [redacted] (6)  
1 - NY 105-11563 [redacted] (6)  
1 - NY 100-76321 [redacted] (6)  
1 - NY 100-15140 (TIM BUCK) (6)  
1 - NY 100-51166 (CP OF CANADA) (7-5)  
1 - NY 100-118948 (6)

b6  
b7C

DR:msb (7-0)  
(15)

Approved: \_\_\_\_\_ Sent: \_\_\_\_\_ M Per: \_\_\_\_\_  
Special Agent in Charge

134-91-1395

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 6 1958	
FBI - NEW YORK	

[Redacted stamp]

AIRTEL

NY 100-118948

apparatus) would leave for the Soviet Union on 8/4/58, and that he would bring the letter in person to the proper persons. BUCK commented, however, that this time the letter would not go to NIKOLAI MATKOVSKY (ph)(known to NY 694-S\* as a member of the Central Committee, CPSU, in charge of the American Section).

NY 694-S\* stated that BUCK's comment indicated that MATKOVSKY had apparently been promoted and was no longer the contact between the Central Committee of the CPSU and the Soviet apparatus responsible for the [redacted] matter.

Above for information:



b6  
b7C

8/6/58

AIRTEL

TO: DIRECTOR, FBI (65-62041)  
FROM: SAC, NEW YORK (65-1644)  
SUBJECT: SASH  
ESP-R

Utmost care must be used in handling and reporting the following information in order to protect the identity of the informant.

On 8/5/58, NY 694-S\*, who has furnished reliable information in the past, made available to SA [redacted] a sealed letter directed to [redacted]. Informant had received this letter from TIM BUCK while in Canada from which he returned on 8/4/58.

b6  
b7C

The sealed letter was brought to the NYO and was determined to read as follows:

"Dear [redacted]

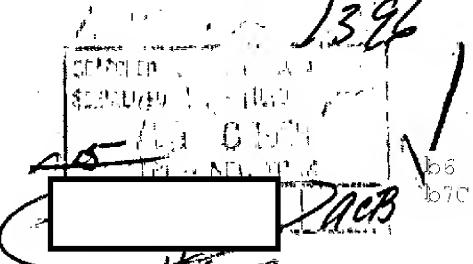
"I asked Jack to deliver this in person as I want you to do something for me just before you come here - Please go to our joint enterprise and take from there all bonds (Canadian) which are marked "Victory Bonds" - not the ones which say Dom. of Canada Savings Bonds but - Dom of Canada

5 - BUREAU (65-62041) (RM)  
(1 - 100-232732) (ELIZABETH MASCOLO)  
(1 - 100-3-81) (CP, USA, International Relations)  
1 - NY 134-91 (Inv) (7-0)  
1 - NY 100-57446 (ELIZABETH MASCOLO) (6)  
1 - NY 105-6808 [redacted] (6)  
1 - NY 100-86624 (CP, USA, International Relations) (7-5)  
1 - NY 100-74560 (CP, USA, Funds) (7-5)  
1 - NY 65-1644 (6)

b6  
b7C

DR:mfd (7-0)  
(12)

(1 - Supervisor [redacted])



NY 65-1644

"Victory Bonds - I think they are in the large denomination - If for any reason you are not coming (saying this just as a precaution) then give them to Richard - needless to say, don't carry them loose - in your purse, but in an envelope - It sounds silly giving you directions of such simplicity -

"I would also suggest that you do not take the records with you. Between the electric percolator - bamboo shades, cover for bed, [redacted] I would say you both have quite enough - Perhaps if questioned, [redacted] should say he bought a job lot of the shades for his own home and found that these were extra and he is taking them to his Mother to see if she can use them.

b6  
b7c

"The percolator is an anniversary gift to your sister and husband - You perhaps should not even mention having the bed cover. -

"Has the weather been at all bearable. We had three gruesome days but it has cooled off today [redacted] has gone on vacation so my work necessitates my going in more than once a week - The office is so hot, I'm exhausted before I've been there a half hour - At home, it is naturally a little more hectic, but Rosie has been coming every week so its a great help -

"Still trying to get a day and a half free for [redacted] (?) in order for us to get to [redacted] but it looks as tho it will have to keep until you get here and then we will make a real effort to pry him away - But the world situation has necessitated more running around than usual, but that's usual with us, isn't it -

b6  
b7c

"The best and looking forward with keen pleasure to your visit

"B"

NY 65-1644

It is noted the letter was in an envelope containing the return address of the Cecil Hotel, Western Limited, Brandon, Manitoba.

On 8/5/58, the contents of the above letter were discussed with NY 694-S\* and informant advised that with the exception of the first paragraph he believed the contents of the letter were personal in nature. In reference to the first paragraph, NY 694-S\* stated that in all likelihood this was a personal request to obtain bonds from a safe deposit box (joint enterprise) and informant was unable to say whether these bonds represented personal funds of MASCOLO [REDACTED]. Informant identified the [REDACTED] mentioned in the first paragraph of the above letter as identical to [REDACTED] of ELIZABETH MASCOLO.

In view of the fact that NY 694-S\* stated in the event that this was a transfer of funds in behalf of the American CP or the Canadian LPP, he expected that the matter would come to his attention in the immediate future and to protect the security of NY 694-S\*, the NYO contemplates no attempted coverage of [REDACTED] in connection with the above letter.

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The sealed letter was returned to NY 694-S\* on 8/6/58, and informant expressed the intention of delivering it to KOHANA WILES the same date.

Photostats of the above described letter have been attached to copies of this communication designated for the NY case files on [REDACTED] ELIZABETH MASCOLO. It is noted that the above letter is signed "B" which is undoubtedly identical to "BESS", the name used by ELIZABETH MASCOLO.

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Above for information.



## Office Memorandum, UNITED STATES GOVERNMENT

TO : SAC, NEW YORK (134-91)

DATE: 8/6/58

FROM : SA [redacted] (7-0)

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SUBJECT: NY 694-S\*

On 8/4/58, informant requested the NYO to immediately exchange into small denominations a large sum of money that he had received from Communist sources. As a result of this, the amount of \$3,400.00 was withdrawn from the confidential fund of the NYO, the check immediately cashed at the bank, and the money returned to the informant on 8/5/58.

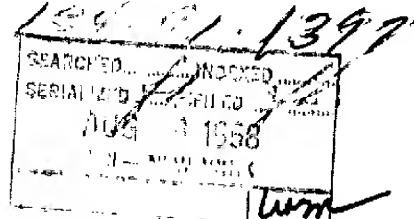
This memorandum is to record the above transaction.

Ch #1852 in amt of \$3,400.00  
drawn 8/5/58 -

\$3,400.00 in cash rec'd  
+ deposited to Fund account  
8/5/58 - y

NY 134-91 (INVEST)

DR: pam  
(1)



SAC  
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SAC 19  
SAC 20

8/6/58

AIRTEL

*JMK* - 5

TO : DIRECTOR, FBI (100-340711)  
FROM : SAC, NEW YORK (134-91)  
SUBJECT: NY 694-S\*

Reylet dated 7/21/58 entitled SASH - ESP - R, wherein it is set out on page seven that ISIDORE "GIBBY" NEEDLEMAN has advised ELIZABETH MASCOLO, close associate of TIM BUCK (Canadian LPP leader), to fill out a passport application legally. Relet set out that MASCOLO, on 7/15/58, apparently had made application for a passport on that date after leaving informant.

On 8/6/58, NY 694-S\* orally advised SA [redacted] of the NYO that he had determined recently from MASCOLO that she had not received her passport and she was somewhat concerned because it had not come through. NY 694-S\* pointed out that he felt it would be to the value of the Bureau if MASCOLO would expeditiously receive her passport. Informant stated that if MASCOLO did receive a passport, in all likelihood she would expand her courier activities in behalf of TIM BUCK and the CP's of USA and Canada, and that he would be kept informed by her of all her activities in this regard. Informant said that if MASCOLO had a passport and was able to more readily travel, that it would be of assistance to him in closely following the SASH operation.

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5 - Bureau (100-340711)(RM)  
(1 - 65-62041)(SASH)  
(1 - 100-16441)(ELIZABETH MASCOLO)  
1 - NY 65-16441 (SASH)(6)  
1 - NY 100-57446 (ELIZABETH MASCOLO)(6)  
1 - NY 134-91 (INVES)

*DR:msb* (7-0)  
(9)

1 - SUP. [redacted] (7)

1398

SEARCHED	INDEXED
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FBI - NEW YORK	

*mm* *Mm*

AIRTEL

NY 134-91

In this connection, NY 694-S\* expressed the desire that he, too, should have a passport. He stated that if he did have a passport, he would be more readily available for any assignment emanating from the CP, USA or the LPP of Canada, and thus in all likelihood would be available to receive more valuable information in connection with his activities in behalf of the Bureau.

It is suggested that the Bureau make discreet inquiries with the State Department to determine if there has been any holdup in the issuing of a passport to ELIZABETH MASCOLO. The Bureau is also requested to authorize NY 694-S\* to obtain a U. S. passport at the earliest possible date.



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DIRECTOR, FBI (100-3-103)

8/7/68

BAL, NEW YORK (100-129174)

COMMUNIST PARTY, USA  
COUPV COMPANIES  
(ANTIQUE SHOPS)  
INTERNAL SECURITY - C

ReBulet 7/25/68.

On 8/5/68 the "antique shop" operation was thoroughly reviewed with NY-694-S\* and it was impressed upon the informant that it was important that he keep the NYO fully apprised of all information coming to his attention concerning the antique shop operation and particularly from IRVING POTASH.

NY-694-S\* advised that nothing would be accomplished on the antique shop operation by the CP, USA, for a period of time after IRVING POTASH is released from prison. NY-694-S\* pointed out that he has been advised by CP officials, especially EUGENE DENNIS, "to stay clear" from IRVING POTASH when he first is released from jail until he receives an "OK" from EUGENE DENNIS. Informant stated that depending upon DENNIS' approval and circumstances at the time, the informant will contact and talk to IRVING POTASH to determine further details and plans regarding the antique shop operation.

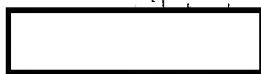
NY-694-S\* commented that the informant felt he himself is in all likelihood the "key person" in connection with the antique shop operation and that no steps would be taken by the CP, USA, in connection with the operation without consulting with the informant.

NY-694-S\* has been instructed to alert the NYO immediately when any information regarding the antique shop operation comes to his attention.

The NYO is placing captioned case in a pending inactive status. Upon receipt of information from NY-694-S\* that this CP project has been reactivated, this case will be immediately placed in a pending status and the Bureau promptly advised of all pertinent developments.

- 2 - Bureau (100-3-103) (RM)  
1 - New York 134-91 (Inv.) (7-0)  
1 - New York 100-48033 (IRVING POTASH) (7-2)  
1 - New York 100-8057 (EUGENE DENNIS) (7-5)  
1 - New York 100-129174

DK:mmm  
(6)



1395

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9CB

H-5

FBI

Date: 8/7/58

Transmit the following in \_\_\_\_\_  
(Type in plain text or code)

Via AIRTEL \_\_\_\_\_ (Priority or Method of Mailing)

TO: DIRECTOR, FBI (100-3-69)  
FROM: SAC, NEW YORK (100-80641)  
SUBJECT: CP, USA, ORGANIZATION  
IS ~ C

Utmost care must be used in handling and reporting the following information in order to protect the identity of the informant.

On 8/6/58, NY 694-S\*, who has furnished reliable information in the past (conceal), orally advised SA [ ] that he had engaged in conversation with JAMES JACKSON. JACKSON advised the informant that he and the CP were happy at the reversal by the US Circuit Court of Appeals (on 8/4/58) on being freed from Smith Act prosecution. JACKSON stated that "they" celebrated yesterday at CP Headquarters and toasted each other and complimented Party attorney MARY KAUFMAN.

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JACKSON advised NY 694-S\* that the Government has the right to appeal to the Supreme Court for a new trial, but this appeal must take place within 15 days. However, [redacted] the Government DA [redacted] AUSA, SDNY) told the defendants' attorney MARY KAUFMAN that he was "finished with the case."

b6  
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4 - BUREAU (100-3-69)(RM)  
(1 - 100-3-63)(CP, USA, FUNDS)

2 - CHICAGO (134-46)(Info)(RM)  
(1 - 100-18001)(FRED FINE)

1 - NY 134-91 (Inv)(7-5)

1 - NY 100-16785 (JAMES JACKSON)(7-5)

1 - NY 100-81752 (CP, USA, COMPROS)(7-1)

1 - NY 100-8529 (MARY KAUFMAN)(7-5)

1 - NY 100-89816 (FRED FINE)(7-5)

1 - NY 100-50090 (SID STEIN)(7-5)

1 - NY 100-50983 [REDACTED] (12-13)

1 - NY 100-21421 (ALEXANDER TRACHTENBERG)(7-5)

1 - NY 100-19679 (ISADORE WOFSY)(7-5)

1 - NY 100-74560 (CP, USA, FUNDS)(7-5)

1 - NY 100-128861 (CP, USA, RESERVE FUNDS)(7-5)

1 - NY 100-80641 (7-5)

DR:mfd (7-0)  
(19)

137-91-190  
SEARCHED INDEXED  
SERIALIZED FILED 0/16  
1/10 7 1958  
FBI - NEW YORK

b6  
b7C

b6  
b7C

NY 100-80641

JACKSON stated that the CP does not anticipate the Government will appeal; expects to have their bail money returned soon and the defendants will again have "clean slates."

JACKSON also commented to the informant that the Party expects the Smith Act case in Denver will also be thrown out.

JACKSON further expressed the opinion to the informant that it was believed that SID STEIN and FRED FINE would soon leave the ranks of the CP in view of the reversal of their Smith Act trial. JACKSON said STEIN no longer will even come to Headquarters, even though four weeks back pay is owed him by the Party. According to JACKSON, STEIN is in possession of a Party automobile which he does not desire to give up to the Party and this is one reason for his avoiding CP Headquarters.

JACKSON stated that FRED FINE, who has recently been in the hospital, is now at home and JACKSON expects FINE's health will be "immediately improved" as a result of the reversal of the Smith Act case.

JACKSON commented that [redacted] who has \$25000 of the Party's funds, had indicated in the past that he was retaining these funds for the use of his family in the event he was sentenced as a result of the Smith Act trial. JACKSON stated there is speculation now that in view of the results of the case, [redacted] will return the funds in his possession to the CP.

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NY 694-S\* advised that just after informant had given ALEXANDER TRACHTENBERG the \$3400 on 8/6/58, which informant had previously "laundered" at TRACHTENBERG's request (see NY airtel to Bureau dated 8/6/58, captioned, "CP, USA, FUNDS; IS-C"), TRACHTENBERG had an appointment with ISADORE WOFSY. NY 694-S\* expressed the opinion that WOFSY was probably the recipient of some of the "laundered" money.

NY 100-80641

Informant also advised that on 8/6/58, he had been told by TRACHTENBERG that the latter, in the "immediate future", would have an additional \$12,000 for NY 694-S\* to launder.

(It is noted that the word "laundered" is a reference to exchanging currency to avoid possible ~~transferring~~ <sup>tracing</sup> of the bills.)

The above is for information and the Bureau will be kept advised of all pertinent developments.



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SAC, CHICAGO

8/8/58

SAC, NEW YORK (65-2977)

CP, USA - ILLINOIS DISTRICT  
IS - C

Utmost care must be used in handling and reporting  
the following information to protect the identity of informant.

On 8/7/58, NY 694-S\*, who has furnished reliable information in the past (conceal), made available to SA [redacted] of the NYO two copies of the publication "The Party Forum," Edition of August, 1958. It is noted that this publication is self-described as published by the Communist Party of Illinois.

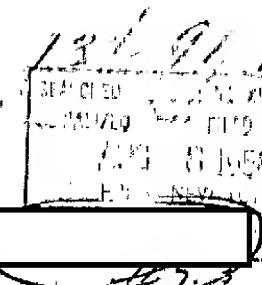
b6  
b7C

[redacted] Informant received these copies on 8/6/58 from [redacted]  
[redacted] office worker at the CP, USA National Headquarters, NYC.

Two copies of the publication "The Party Forum" are forwarded herewith for Chicago.

2 - Chicago (100- [redacted]) (CP, USA - ILLINOIS DISTRICT) (encl. 2) (RM)  
① - (1 - CG 100- [redacted]) ("THE PARTY FORUM")  
1 - NY 134-91 (INV) (7-5)  
1 - NY 65-2977 (7-5)

DR:msb  
(4)



b6  
b7C

SAC, CHICAGO

8/8/58

SAC, NEW YORK (65-2977)

CP, USA - ILLINOIS DISTRICT  
INTERNATIONAL RELATIONS  
IS - C

Utmost care must be used in handling and reporting  
the following information to protect identity of informant.

On 8/7/58, NY 694-S\*, who has furnished reliable information in the past (conceal), made available to SA [redacted] of the NYO two 1-page printed throwaways. It is noted that these throwaways are entitled "Welcome to Chicago - Prime Minister NKRUMAH." This throwaway contains on its bottom the identification, South Side Division, Communist Party of Illinois, CLAUDE LIGHTFOOT, Chairman, Room 806, 36 West Randolph Street, Chicago, Illinois.

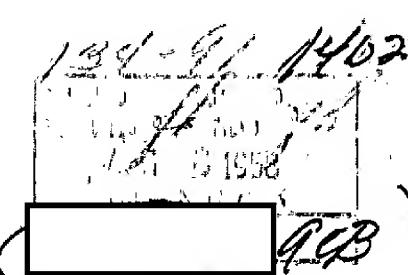
b6  
b7C

[redacted] These throwaways were received by NY 694-S\* from office worker at CP, USA National Headquarters, NYC, on 8/6/58.

A copy of this throwaway is attached for each file designated in this letter for Chicago.

- 2 - Chicago (100- ) (CP, USA - ILLINOIS DISTRICT,  
INTERNATIONAL RELATIONS) (Encl. 1) (RM)  
(1 - CG 100- ) (CP, USA - ILLINOIS DISTRICT,  
SOUTH SIDE DIVISION) (Encl. 1)  
1 - NY 134-91 (INV) (7-5)  
1 - NY 65-2977 (7-5)

DR:msb  
(4)



b6  
b7C

SAC, CHICAGO

8/8/58

SAC, NEW YORK (100-106912)

FAMILIES OF SMITH ACT VICTIMS  
IS - C

Utmost care must be used in handling and reporting  
the following information to protect identity of informant.

On 8/7/58, NY 694-S\*, who has furnished reliable information in the past (conceal), made available to SA [REDACTED] OF THE NYO a 12-page printed document entitled "Smith Act Bulletin" and self-described as published by Smith Act Families Committee, Suite 811, 189 West Randolph Street, Chicago 2, Illinois, in the Fall of 1958.

b6  
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Informant received this document from [redacted]  
office worker at the CP, USA National Headquarters, NYC, on  
8/6/58.

The original document, as made available by the informant, is submitted herewith as an enclosure for the Chicago Division.

1 - Chicago (100- ) (FAMILIES OF SMITH ACT VICTIMS) (Encl. 1) (RM)  
1 - NY 134-91 (INV) {7-5}  
1 - NY 100-106912 {7-1}

DR:msb  
(3)

A photograph of a document page. At the top right, the number "1403" is written vertically. In the center, there is a large, rectangular black redaction box. To the right of the redaction box, the letters "QCB" are handwritten. Below the redaction box, the number "47-5" is handwritten.

b6  
b7c

SAC, LOS ANGELES (100-4963)

33/58

SAC, NEW YORK (100-92763)

PETTIS PERRY  
IS - C

Utmost care must be used in handling and reporting the following information to protect identity of informant.

On 8/7/58, NY 694-S\*, who has furnished reliable information in the past (conceal), made available to SA [redacted] of the NYO a seven-page typewritten document containing in its upper right-hand corner on the first page the name [redacted]

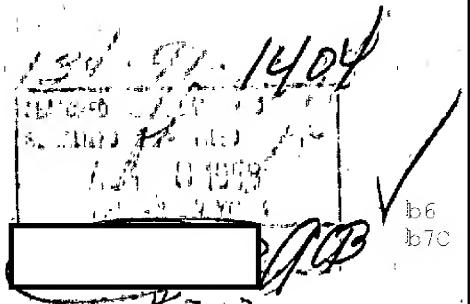
This document was received by NY 694-S\* from [redacted]  
[redacted] office worker at CP, USA National Headquarters, NYC,  
on 5/6/58. [redacted] requested informant read the document and  
return it to her as soon as possible.

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b7c

Photostats are attached to all copies of this letter.

- 1 - Los Angeles (100-4963) (Encl. 1) (RM)  
1 - NY 134-91 (INV) (7-5)  
1 - NY 100-30640 (CP, USA - NEGRO QUESTION) (7-5)  
1 - NY 100-92763 (7-2)

DR:mab  
(4)



I suppose I have asked you now about the four unclaimed territories  
in Africa I know and it is going to require much more study and  
research on questions that were raised. There are some questions  
that you can't get away from. You see there is the question is what is Jim  
Harrington doing all the positive side in our development.

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b7C

That leads up to the conclusion that the only nations on this earth  
are without autonomy. I submit that that is not so. By that cri-  
terion there would not be any nations in Europe and the US itself  
would not be a nation. So that this is one question that it raises  
in my mind. The second thing is that if the Negro in the US is not  
a nation then what is he? That was not clearly spelled out. Now  
do we therefore define precisely what this Negro is? Irrespective  
of the present demand that the Negro is submitting for resolution  
and so on. . . . Further, aren't we - while I am posing ques-  
tions that certainly have to be answered at another time but- if we  
concede and correctly we that the Negro people today are demanding  
integration can it be said that there was any time in American  
history that the Negro was not demanding full equality? That is  
the first question and that is from the time that the first  
slave ships landed on this shore up to now. Furthermore if we  
take this question of integration and make that one of the main  
questions and we therefore understand that self-determination is  
a socialist matter. If so that is not my understanding of Leninism.  
I am aware however of the time in America when we gave all the ground  
for this kind of interpretation and indeed worked out certain bim-  
perial approaches to it that could only lead to that. I am con-  
cerned about this because the Marxist movements all over the world  
are fighting with the national question and have inscribed on its

2.

bearer the question of the right of self-determination. That being the case is there a contradiction between a right of self-determination and personal integration or equality because Marxist contend that a right is not an obligation. It is a right. And whether or not that right is exercised in the form of unification or amalgamation with another nation or separation from that nation so long as the people involved are the ones making the decision there is no contradiction. I am raising this because if I were asked to come to some final conclusion - for instance if I were asked to vote for Jim's conclusion here I could not do it. ~~so you can't say no~~ If I did I would have to vote no or abstain - I certainly could not vote yes ~~no~~ for it. These are questions that actually I want to be examined a little bit more fully than we have been able to do so far. And then comrades I am concerned with this question too - we talk about how we have been discredited among other people - I think we are more discredited among ourselves than among other people - I think we the masses have much more respect for us than some of us express and for our party too. This question of (swinging back and forth) I am very concerned. You know in 1943 Browder made a speech at a workers school that there was no more Negro nation - the nation had ceased to exist. A few years later we had a conference in which we re-established the question of a nation - now we come to this point and we say there is a shift in population so there is no nation - well comrades I think that is more our opinion than based on reality. Now we have got to see how much of a factor this is in eliminating a nation -- if it is a factor.

3.

And I am not saying it is not. Again I am putting questions that must be answered in my mind before I can vote on this kind of question. If this is a major factor in the conclusion that Jim has brought then let me ask this question. Let us assume that there developed in this country a broad democratic coalition - anti-monopoly coalition - something of this sort and such a coalition to be effective must inscribe on its banner the greatest abolition of drastic restriction or curtailment of all Jim-Crow laws in the country - that is one thing - economically - politically and socially. Further such law would have to curb if it is anti-monopoly - to curb one side of monopoly - the land monopoly - plantation monopoly as such it would have to. Would we not then be confronted with a situation of a whole number of Negroes getting elected to office - and with a greater democracy in the south a large number of Negroes going back to the south? Would we not then be confronted with that question? I wonder what would we say then? We would have to re-evaluate the question. A nation having returned home - would that be the conclusion? Well anyway these are some of the major questions that I for one would like to further think about and would like to see some further answers on before we finalize this question. Now just one other question I know there is a time factor and Jim's self-consciousness about time time to limit the discussion on a few questions of the Negro problem and possibly draw from the question of the particular problem now I think on this question we have to face up to a number of very important political and organizational questions. I think you have already asked my opinion. I stopped on December

Chicago, Detroit, of course in some places our meetings were very skimpy but I did have a very good meeting of the Negro commission in Detroit last Tuesday night - a full commission. We are sitting in danger comrades of one of the greatest ~~problems~~ rifts between the Negro people and labor and the white progressives and so forth ~~than~~ than we have faced in a long time. Well have to programmatically and organizationally answer this question of the burning needs and desires of the Negro people on a number of questions. This question cannot be postponed to long. For example on the ~~political~~ political front - we have gotten propelled into a situation in this ~~area~~ and I am going to raise this question because I hope the comrades here from the NEG - comrade , comrade Jim, comrade will see that this question is discussed as quickly as possible - in the first place we have been jockeyed into a position in the ~~political~~ political front whereby election after election when a Negro candidate runs for office either one of a number of things happens - either we as Negro communist in this take no part in the organization and try to evolve and see who would forward as a Negro candidate but on the next ~~day~~ day after filing day a whole business goes around of either slandering the Negro candidate or questioning whether or not he is the right one - this is one thing and I say many of us Negro communist are guilty of this - looking for pure forces but we don't look for pure forces when we have running white candidates neither we nor white communist. I think that this is just fanatical and something which we have got to you an end to. Or another thing happens - a question of a candidate representing a particular district whether the building should be

or in Los Angeles or wherever in any other place else in the country  
anybody that you consider is somewhat liberal at least if he has  
been in office any length of time - he cannot be otherwise lets  
face this. In Eastland had started in politics and started in the  
old Jim Crow government and years and before Powell got in there  
it was just about the same old Jim Crow all the time and time again  
he would not have been the kind of Eastland he is now. It would  
have been impossible for him to have stayed in office. So we have  
to see this - we discuss after election and this has been happen-  
ing few years and it is catching up with us and we had better  
start facing it - the whole question - a discussion takes place  
and we say well consider it is too bad, why didn't the Negro pick  
another district - and this is a liberal guy. In Los Angeles in  
regard to the Negro who is running against Roosevelt we  
many comrades including some of our Negro comrades but the over-  
whelming majority of our white comrades says why didn't G. run  
in the 15th district instead of the 26th he lives in the 15th.  
Roosevelt lives in Pasadena that is 9 miles from his district and  
G. . . . . LIVES in the adjoining district - these kind of  
questions. Now the Negro has . . . . with us a while but even though  
they tell us they did not understand the contradiction of our  
running Negro communist for office and screaming about Negro repre-  
sentation then when a Negro runs as an electoral possibility we  
begin to find fault and say it should not be done. That is a  
contradiction which is constantly propelling us in a position in  
the eyes of Negro people that we are interested in ~~more~~ Negro  
representation where Negroes cannot be elected and for offices they

cannot . Well I think we certainly can that we had better start doing some thinking as to whether we want to start in the 26th with C R or whether we want to start in any other district - whether we are able to start in '58 or '60 but start we must. Now about Detroit - I was very anxious about this situation because when I went to Detroit I had heard and I had been telling everybody else that the CIO in 1954 dumped its incumbent O'Brien for Diggs. Well the comrades in Detroit said that just is not so. They said that as a matter of fact when Diggs ran there was talk by a whole number of people in the union I don't know if it was any of our people but union people never-the-less talking about picketing Diggs establishment because he was running - mortuary establishment - now there was a lot of opposition to this and they said there was a rising criticism in Detroit of anti- PAC - anti- CIO feelings among Negroes. Well I say this is serious if this can happen in Detroit because I don't know of a single community in this country that the Negro is as pre-union - all strata of it - as in Michigan. But this is happening and this is one of the things that is feeding it over and above the economic picture. Well one thing I must say is that our party in Michigan is doing what is not being done by most and that is its general policy in the 1st congressional district is to support Negro representation - that is the general policy of the party. I think this should be everywhere. And I think that until we begin to help the Negro people begin to develop some criticism of these liberals and these trade union leaders on their wavering and hesitations on this at this time and try to get a new direction on

this question this Negro labor alliance will further deteriorate and there is no basis for it to continue. We cannot afford to continue an alliance asking Negroes to make all the concessions. That is impossible. Just simply impossible. I am sorry like Jim to be talking so long but I won't be here to participate with the discussion but I just wanted to give you some of the questions I have and some of the very serious thinking I have on the question number one: the economic struggle of the Negro people - I think we pass over very lightly the fact that there are one out of every seven Negroes unemployed in this country. We had better draw some conclusions from this and we had better begin to tackle this question and the material that Jim gave us here tonight - well most of it was just checking as to what kind of problems exist. Then finally this question of Negro representation. If anybody thinks this is a narrow question or sectarian question I only invite them to read the Negro press any part of it. This is a major popular demand. I want to say further that in our party and in the left movement we don't begin to realize the contribution Comte we made when comrade Brown was elected to the city council in New York it was far more dramatic before the Negro people of this country than when Powell was elected to the city council. A Negro and a communist. This electrified the Negro people. Let anybody go through the Negro newspapers and look through the morgue and see the point in history in which this question of Negro representation began to take on gigantic form and it was after comrade Davis was elected. So we don't realize what we have done for this question to inspire and encourage.

8/8/58

AIRTEL

TO : DIRECTOR, FBI (100-81) (100 - 3-81)  
FROM : SAC, NEW YORK (100-86624)  
SUBJECT: CP, USA - INTERNATIONAL RELATIONS  
IS - C

Utmost care must be used in handling and reporting  
the following information to protect identity of informant.

On 8/7/58, NY 694-S\*, who has furnished reliable information in the past (conceal), made available to SA [redacted] of the NYO a two-page mimeographed document dated 7/31/58, directed "To All Districts" and signed by ARNOLD JOHNSON. Informant advised he received this document on the previous date from [redacted] office worker at CP, USA National Headquarters, 23 West 26th Street, NYC.

b6  
b7c

A photostat of the above-described document is attached for the Bureau and Chicago Division. Photostats are also attached to each New York copy of this communication, with the exception of the copy designated for informant's file, which has the original document attached.

b6  
b7c

(100 - 3-81)

3 - Bureau (100-81) (Encl. 1) (RM)  
1 - Chicago (100- ) (CP, ILLINOIS DISTRICT) (Encl. 1) (RM)  
① - New York (134-91) (INV) (7-5)  
1 - New York (100-16021) [redacted] (7-6)  
1 - New York (100-86624) (7-5)

DR:msb (7-0)  
(8)

1 - SUP: KEARNEY (7-5)

134-91-1405

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 8 1958	
FBI - NEW YORK	

ACB

ZT 1.5

b6  
b7c

July 31, 1958

To all Districts:

The Illinois Party has put itself on a "Peace Alert" making the struggle for peace the major point of its work with mass organizations and its independent work.

Their program of activity includes daily contact with many non-Communist forces in various peace committees, churches, trade unions, and other organizations. Through this activity, peace is becoming a major issue in the election campaign, particularly of the Congressional candidates. One Congressman has effectively used a public poll on "Your Congressman Wants to Know" with a series of questions on issues of the day including "Do you think our country should take the initiative for peace in the world....work for an immediate Summit Meeting with Russia....immediate ban on A and H bomb tests.... work with Russia for disarmament....give more economic aid to countries that need it....work out reciprocal trade agreements with all nations including Russia, China, Poland, etc."

Committees are visiting candidates on these issues, made more urgent by the necessity to withdraw American troops and navy from the Mid-East, and the demand for an immediate Summit Meeting for peace.

The possible Summit Meeting needs special attention. All Americans have the responsibility to expose and defeat all efforts to stall or divide the Summit Meeting which is called because there is a crisis, there is military intervention, there is a violation of peace and an increased war danger. Constant pressure for a Summit Meeting has served to halt the military from proceeding into Iraq. That country's new democratic government quickly received such widespread popular support that it was not easy for the U. S. or Britain to advance against it.

Growing resentment against U. S. military intervention makes it necessary to increase the demand for immediate withdrawal of troops from the Mid-East. Trigger-happy army brass may create a provocation for intensive fighting and war. That the U. S. keeps adding forces while talking about an early withdrawal only indicates that the administration wants to dig in deeper but must concede to popular feeling against military intervention.

Much more needs to be done to win people to the demand for a Summit Meeting and for immediate withdrawal of troops.

Chicago's "Peace Alert" with its leaflet distribution, meetings, and a whole series of activities is a good example but not alone. New York's picket line on Ambassador Lodge, leaflet distribution, meetings, and other activities provide another series of examples. Los Angeles issued its own leaflet and held a big mass meeting, a protest rally, in the Embassy Auditorium. Cleveland issued its leaflet. Indirect reports from other cities help to make the picture which shows the Party as a quick mobilizing force on this issue. The Party is not alone in this.

The packing-house workers of the Chicago District set an example for many forces in the ranks of labor to join in a common appeal to withdraw our troops from the Mid-East.

The Quakers issued a statement which called on others to speak out and work for peace.

The Women's International League for Peace and Freedom called an emergency meeting of its national leadership and outlined a full program of activity. "Withdrawal of troops" is point # 1 on their program.

Walter Reuther's speech at a Detroit picnic as reported in The Worker indicates that top labor leaders do not support Eisenhower or Truman. Many other speeches and private comments of Senators and Congressmen show that many in government do not agree with the U. S. action. Editorials and letters to editors in newspapers show popular opinion against the use of troops.

Emergency meetings of heads of peace committees and organizations in cities or states can give more organized expression to peace sentiment. It is also possible to initiate joint statements on necessity for withdrawal of

troops and urge an immediate Summit Meeting. Walks for Peace, picket lines, interviews and forums, statements from local union leaders or rank and file, and many other activities need encouragement.

We also want to know what is being done by other forces. The very nature of the peace movement in our country, its diverse forms and variety of opinions makes it necessary that we observe the total field and not assume that all is being done by one sector, whether it be the left, or the pacifist, or the church, or any other sector. Let us know what is happening in the entire field.

Comradely yours,

ARNOLD JOHNSON

FBI  
NY, NY

DATE: 8/8/58

Transmit the following in \_\_\_\_\_

Via Airtel

TO : DIRECTOR, FBI (100-3-63)  
FROM : SAC, NEW YORK (100-74560) (7-5)  
SUBJECT: CP USA FUNDS  
IS-C

Utmost care must be used in handling and reporting  
the following information to protect the identity of the  
informant.

On 8/8/58 NY 694-S\*, who has furnished reliable information in the past (conceal), orally advised SA [redacted] that on the previous date, 8/7/58, by pre-arrangement, he had met with ALEXANDER TRACHTENBERG for lunch. Informant advised that also at lunch with TRACHTENBERG and himself was informant's wife who is personally acquainted and friendly with TRACHTENBERG. The lunch took place at approximately 12 noon on 8/7/58 in the Armenian Restaurant on 27th St. near Lexington Ave., NYC.

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(It is noted NY 694-S\* has previously advised that on 8/6/58 he was told by ALEXANDER TRACHTENBERG to be ready to receive \$12,000 in funds in the immediate future. As had been done before it was planned that NY 694-S\* would "launder" these funds (i.e., exchange them for other currency) and return the money to TRACHTENBERG.)

5-Bureau (100-3-63) (Attachment 1) (RM)

(1 - 100-3-102 CP USA RESERVE FUNDS)

(1 - 61-330 WILLIAM Z. FOSTER)

1-Chicago (100- ) (CP USA FUNDS (Info) (RM))

1-New York 134-91 (Inv.) (7-5)

1-New York 100-128861 (CP USA RESERVE FUNDS) (7-5)

1-New York 100-21421 (ALEXANDER TRACHTENBERG) (7-5)

1-New York 100-57557 (INTERNATIONAL PUBLISHERS) (7-1)

1-New York 100-32826 (7-1)

1-New York 100-9360 (WILLIAM Z. FOSTER) (7-5)

1-New York 100-10989 (NEW CENTURY PUBLISHERS) (7-1)

1-New York 100-74560 (7-5)

DR:ibj (#7-0)

(15)

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 12 1958	
FBI - NEW YORK	

b6  
b7c

137-91-11406

NY 100-74560

Upon completion of lunch TRACHTENBERG, NY 694-S\*, and the wife of NY 694-S\*, went to the office of International Publishers where the informant's wife remained in a front room and TRACHTENBERG and the informant went to the back room. At this point TRACHTENBERG reached up to the shelf in the office between two books and pulled out a number of white letter-size envelopes. It is noted these envelopes contained the numbers on their outside of either "1" or "½," identifying the contents as either \$1000 or \$500. TRACHTENBERG advised the informant that these envelopes contained \$12,000 which he said was "the old man's money." (NY 694-S\* stated the reference to the "old man" is undoubtedly a reference to WILLIAM Z. FOSTER, and there is a probability that this money represents royalties to FOSTER for books published in the USSR.)

TRACHTENBERG opened one of the envelopes and scanned through the money but did not open any other envelopes. He told NY 694-S\*, in reference to the money, "this is correct - [redacted] checked it."

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NY 694-S\* when leaving TRACHTENBERG brought the money directly to informant's safe deposit box where it remained for the evening.

NY 694-S\* was questioned as to the identity of [redacted] mentioned above and he said that undoubtedly this was a reference to [redacted] who is employed by TRACHTENBERG in the office of International Publishers.

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In this connection it is noted that on 8/6/58 [redacted] who covers activities at the office of ALEXANDER TRACHTENBERG (International Publishers), advised that TRACHTENBERG had contacted an unidentified individual on that date and told this person he would pick up something the following morning at 10 am. TRACHTENBERG stated "I'll pick it up, it will be my responsibility."

A fisur of ALEXANDER TRACHTENBERG by Agents of the NYO on 8/7/58 reflected he left his residence and went to the offices of New Century Publishers, 832 Broadway, NYC, where he entered about 10 am. After approximately 1 hour in the office TRACHTENBERG departed and returned to his own office. It is noted TRACHTENBERG was carrying a package at the time of his entry into 832 Broadway and also when he departed. Due to the

NY 100-74560

necessity, of maintaining security it was not possible to get a close look at instant package.

[redacted] On the morning of 8/8/58 NY 694-S\* was met by SA [redacted] and informant turned over to the Agent the sum of \$12,000 which was made up of denominations ranging from \$10 to \$100. The NYO has listed the serial numbers of this currency, has exchanged it at the bank for different currency which informant specified was to be in \$20 denominations, and the sum of \$12,000 will be returned by NY 694-S\* to TRACHTENBERG on 8/11/58. NY 694-S\* stated that although no definite arrangement had been made with TRACHTENBERG regarding the return of the money, the informant expected TRACHTENBERG would desire all or part of it returned on 8/11/58.

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NY 694-S\* was questioned regarding the possibility that the above \$12,000 possibly could be for the financing of travel of WILLIAM Z. FOSTER to the Soviet Union, and informant replied that TRACHTENBERG had indicated to him recently that WILLIAM Z. FOSTER would definitely not travel to the Soviet Union unless such could be accomplished under "absolutely legal circumstances." Informant stated that he had also heard this information from other sources within the CP.

Attached to the original Bureau copy of this airtel is a list of the date and serial numbers of the currency received by NY 694-S\* from TRACHTENBERG on 8/7/58. Copies of this list are also attached to the NY copies of this airtel designated for the files on CP USA FUNDS, CP USA RESERVE FUNDS and on NY 694-S\*. The serial numbers of these bills are currently being checked by the NYO against the known serial numbers of currency issued to Soviet establishments in NYC and Washington, D.C., and the Bureau will be advised of any positive results.

[redacted]  
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F B I

Date: 8/8/58

Transmit the following in \_\_\_\_\_  
(Type in plain text or code)

Via AIRTEL \_\_\_\_\_  
(Priority or Method of Mailing)

TO : DIRECTOR, FBI  
FROM : SAC, NEW YORK (100-48033)  
SUBJECT: IRVING POTASH  
IS - C

UTMOST CARE MUST BE USED IN HANDLING AND REPORTING THE  
FOLLOWING INFORMATION TO PROTECT IDENTITY OF INFORMANT.

On 8/8/58, NY 694-S\*, who has furnished reliable information in the past (conceal), orally furnished information to SA [redacted] of the NYO:

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Informant stated that he met with ROBERT THOMPSON to discuss "current matters" at 11:00 a.m. on 8/8/58. THOMPSON advised NY 694-S\* that the most disturbing thing concerning the CP, USA at the present time and also considered to be one of the Party's most urgent questions is that of IRVING POTASH. THOMPSON stated that POTASH will be released from the Federal Penitentiary at Atlanta on August 26, 1958, but as soon as he is released, he will again be taken into custody and confined in the Fulton County Prison in Georgia. THOMPSON described this as a horrible prison and stated that although IRVING thought

3 - Bureau	(100- ) (IRVING POTASH) (RM)
1 - Chicago	{ 100- - } (IRVING POTASH) (INFO) (RM)
1 - NY 134-91	{ INV) (7-5)
1 - NY 100-27452	{ ROBERT THOMPSON) (7-5)
1 - NY 100-96158	[redacted] (12-14)
1 - NY 105-	(JULIUS KATZ-SUCKY) (18)
1 - NY 65-36441	{ SASH) (6)
1 - NY 100-94822	[redacted] (12-15)
1 - NY 100-86624	{ CP, USA - INTERNATIONAL RELATIONS) (7-5)
1 - NY 100-80641	{ CP, USA - ORGANIZATION) (7-5)
1 - NY 100-48033	(7-5)

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DR:msb (7-0)  
(14)

SEARCHED _____	INDEXED _____
SERIALIZED _____	FILED _____
AUG 13 1958	
FBI - NEW YORK	
[redacted]	[redacted] GCB

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134-91-1407 JBS

NY 100-48033

he would easily be able to take two years of confinement, he found his confinement most difficult and is currently in a very poor frame of mind. THOMPSON stated that POTASH would be detained at the Fulton County Prison for about one month and from there he would be sent to an INS Maximum Security Detention Center in Texas. THOMPSON stated the Government is determined to press the POTASH case to the utmost in an attempt to deport POTASH to Poland.

THOMPSON further stated that [redacted] who is POTASH's current attorney, has been meeting with officials of the Polish Embassy, but he has not been well received by these officials. and THOMPSON characterized the Polish Embassy as treating [redacted] "rough." THOMPSON stated that [redacted] wanted the Poles to come out with an official statement, immediately, in which they state officially that they will not accept POTASH back into Poland. THOMPSON stated that if this was done, the Government would have no deportation case against POTASH and would necessarily release him.

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NY 694-S\* questioned THOMPSON on whether there was not a better way to make contact with the Poles than through the Embassy, and THOMPSON replied, "No, we lost contact with them a year and a half ago and have had no contact since." NY 694-S\* commented to THOMPSON that if JULIUS KATZ-SUCKY (former Polish diplomatic official in the U. S., currently Polish Ambassador to India) were still in the U. S., there would be no problem, and to this, THOMPSON readily agreed.

THOMPSON advised NY 694-S\* that he desired the informant to maintain close contact with him for the next three days because it might be necessary for NY 694-S\* to make a trip "up north" (to Canada) to take the issue up with TIM BUCK, inasmuch as such a direct approach might expedite a decision regarding the statement by the Polish officials.

THOMPSON stated that the Polish officials in the Embassy claim to know nothing about IRVING POTASH and indicate they have little interest regarding what happens to him.

NY 100-48033

According to THOMPSON, the Communist Party wants to avoid further suffering on the part of IRVING POTASH, inasmuch as IRVING is now completely depressed and quite demoralized. According to THOMPSON, POTASH will not break mentally, but he has almost reached the physical breaking point. He stated that POTASH's family problem was a cause of POTASH's depression.

In this regard, NY 694-S\* questioned THOMPSON as to whether it was true that POTASH [redacted] had given up POTASH, and THOMPSON replied in the affirmative. THOMPSON noted that [redacted] has had little or nothing to do with the Party and never was an actual member.

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THOMPSON stated that the Party is going to do its utmost to assist POTASH in his case and will not spare any money in this matter.

NY 694-S\* commented that he did not intend to go to Canada in the near future, although he thought it feasible to allow THOMPSON and the CP to think that he might go to Canada. Informant commented that under the law, he believed INS could detain POTASH for six months. NY 694-S\* expressed the opinion that if POTASH were retained for six more months, he might become thoroughly embittered and possibly would question the activities of NY 694-S\* in connection with POTASH's arrest. Informant expressed the belief that if POTASH were released from prison in August, the informant would be able to talk extensively to POTASH and perhaps resolve many doubts that may still remain in POTASH's mind.

For information.

[redacted]

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8/3/58

AIRTEL

TO : DIRECTOR, FBI (100-3-81)  
FROM : SAC, NEW YORK (100-36624)  
SUBJECT: CP, USA - INTERNATIONAL RELATIONS  
IS - C

Utmost care must be used in handling and reporting  
the following information to protect identity of informant.

On 8/7/58, NY 694-S\*, who has furnished reliable information in the past (conceal), made available to SA [redacted] a three-page mimeographed document containing no title or no identification of its author.

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Informant advised he received this document on 8/6/58 from [redacted] office worker at CP, USA National Headquarters, 23 West 26th Street, NYC, who advised him that this document represented "BOB THOMPSON's summarization of things to date."

A photostat of this document is attached for the Bureau and each copy of this airtel designated for New York files, with the exception of the copy designated for the informant's file, which has the original document attached.

3 - Bureau (100-3-81) (Encl. 1) (RM)  
2 - NY 134-91 (INV) (7-5)  
1 - NY 100-27452 (ROBERT THOMPSON) (7-5)  
1 - NY 97-169 (PUBLISHERS NEW PRESS, INC.) (7-5)  
1 - NY 100-86624 (7-5)

DR:msb (7-0)  
(8)

1 - SUP. JOHN KEARNEY (7-5)

134-91-1408

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 13 1958	
FBI - NEW YORK	

[Redacted]

7-5

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As I have been away from the center for the past couple of weeks, I don't know exactly what material you may have received during this period from here. At any rate, even at the expense of possible duplication, I think it may be useful if you have some information as to how the Party is reacting in various areas to the Mideast crisis. Unfortunately, the picture we have here is by no means complete. There have been quite a large number of leaflets issued. I am enclosing a few of them. I have a number of other leaflets that have been sent in from numerous sections, a few clubs, and some districts. But they are in individual copies, and so I can't send them along to you. In the future, it would be very helpful if any important leaflets or documents that are gotten out in your district would be sent to the center in sufficient quantity so that from time to time we can circulate other areas with samples of them.

A very favorable development has been a significant increase in the utilization of the Sunday Worker during this period. In the first couple of weeks of the crisis, that is, up until approximately six days ago, the circulation figures show that there was an increase of 1,015 in bundle order circulation, and a small increase of 94 in subscriptions. Following is an itemization of this:

	<u>Subs</u>	<u>Bundles</u>		<u>Subs</u>	<u>Bundles</u>
California	2	10	New England	2	
Connecticut	4		New Jersey	2	
Illinois	15	720	Ohio	No gain	No gain
Maryland	1		East. Pa.	4	
Michigan	3		W. Pa.	1	-15
Minnesota	38		Wisconsin		
Missouri	1	~5	New York	21	325

I don't have any report on what has happened during this period with respect to People's World circulation.

There have been a few public protest actions and meetings, notably a Party picket line before Lodge's offices in New York and a mass protest rally in Southern California. There have also been a number of active mobilizations in various districts of the Party, the most productive of which seems to have been one held in Chicago. The program of action evolved by these functionaries' conferences in various areas seem to center on the following propositions:

1. Community and factory gate distribution of leaflets and sales and distribution of The Worker.
2. Delegations to Congressmen and other public officials and candidates.
3. Street corner polls to get expressions of public opinion and arouse awareness of the issues.
4. In at least one industry systematic canvassing of reactions in a selected number of shops to get a more intimate and fuller understanding of the mood and thinking of the workers. This canvass was made during

the first week of the crisis, and it is interesting to note that while concern and alarm over the possibility of a major war being precipitated was greater than in any situation since Korea, this was also coupled with two other reactions. One fairly widespread reaction was that "it is bad that our troops have gone into Lebanon, but now we are in it, the fat's in the fire, and that being the case, we will just have to go along with it." In this particular industry there is a large proportion of Jewish workers and among them, concern of the possibility of Israel being wiped out was very deep, indicating the need for a specific treatment of this question among this section of workers in our press and general agitation.

This is by no means a full roundup of Party reactions and activities but it may be helpful to you in giving some examples of approaches that are being made in the developing of Party activities.

Now in addition to these more or less direct Party activities, efforts are being made in a number of districts (although here it would seem there is great unevenness in the level of activity) to stimulate the development of broader activities. We have knowledge of a dozen or so locals which have taken one or another form of peace action in this period. In addition, from the press you, of course, have learned of the action of the Chicago Packinghouse District, WIL, the Quakers, Reuther's speech, etc.

When the original decision was made by the United States and Britain to undertake armed intervention in the Middle East by landing troops in Lebanon and Jordan, with the clear intention at that time to proceed with armed intervention aimed at reversing the revolution in Iraq, a very tense situation was created. It would seem that a widespread expectation that a general war was in the offing, existed in many circles that normally would have been inclined to speak out in some form of protest against the troop landings and that this exerted a constraining influence during this initial period. Now that the danger of expanding the armed intervention into Iraq and possibly Egypt or Syria, has somewhat abated for the moment (although by no means disappeared), we are finding a greater readiness in many quarters to speak out. Full advantage should be taken of this.

The two central demands are:

1. Immediate withdrawal of American troops from Lebanon and also of British troops from Jordan.

2. Under the general heading of the slogan, "Let's go to a summit meeting, not to war," the demand for the immediate convening of a genuine summit meeting.

It is felt that it is impossible at this time for those in our position to determine whether ultimately this conference will take place within or outside of the Security Council framework and our emphasis is that irrespective of where it is held or under what circumstances, that it be a genuine summit conference centering on the world threat posed by American-British military intervention in the Mid-East.

It would be very helpful to us here if you would send in regularly

all important material published in your district in sufficient quantity so that we can give copies to other districts also. In addition to this, we would very much like to get at fairly frequent intervals from you an account of various Party activities and other developments bearing on the peace issue in your district.

Now on a couple of other matters. You have no doubt noted in The Worker, the special series of articles by Sam Kushner on the industrial blacklist, and by [redacted] analyzing the status and problems of the CIO-AFL. Both of these have a considerable impact and are evoking a real interest in trade union circles they have reached. In addition to boosting the current circulation of the paper, we feel that something special should be done with them. You received a letter several days ago proposing that the Labor Day edition of the Sunday Worker carry a supplement containing both and suggesting that we make a real effort to get a maximum circulation of this edition and of the supplement. Since sending out this letter, the proposal has come in from Chicago that the Kushner series be got out separately, not in conjunction with the [redacted] series. I would like a speedy opinion from you how you think the two pieces could be best utilized. At the present moment, it remains the opinion of most of the comrades here in the Center and in the New York district that their publication together in supplement form in the Labor Day edition would be best. However, before finalizing this, we would very much like to get a wider expression of thinking.

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Political Affairs should be off the press in the next day or two, with the Labor Policy statement in it as well as the reports of Comrade Dennis and myself. Party Affairs is all ready for the printer and should be ready to be mailed out some time next week.

On these special matters do your best to get in everything that you can on the Fund Drive during August as we are really in quite a tight situation. I know it is difficult to do much during the summer months but everything that you can do will be immensely helpful.

The article by Jim Jackson presenting a fresh theoretical appraisal of the status and path of development of the Negro people's movement will be ready for publication in the September Political Affairs. It will serve as a basis for the development of discussion aimed at the finalizing of our Party's position if at all possible, at our next National Committee meeting.

Work is being done on a plan for sustained press-building activities. I hope that we will be ready to send this out for your consideration in about ten days.

14

# Office Memorandum • UNITED STATES GOVERNMENT

TO : SAC, NEW YORK (100-128861)

DATE: 8/6/58

FROM : SA (A) ALPHONSE J. SUTKUS

SUBJECT: CP, USA - FUNDS (Reserve Funds)

IS-C

On July 18, 1958, NY 694-S# received \$4,000  
in ten dollar bills from ELIZABETH MASCOLO for transmittal  
to EUGENE DENNIS.

The New York Office has prepared a listing of the  
currency making up this amount a copy of which is attached  
to this memo.

A comparison has been made of this list with a  
list maintained by Section 17 of known currency issued  
to Soviet establishments in New York City and Washington,  
D. C., with negative results.

- 1 - New York (100-74560)(7-5)
- ① - New York (134-91)(P & C) (INVES)
- 1 - New York (100-128861)(7-5)

AJS:vsj  
(3)

134-91-1409

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
AUG 1 1958	
FBI - NEW YORK	
[Redacted]	

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b7c

*[Handwritten signatures and initials over the stamp]*

8/7/58

ENCODE

TELETYPE

URGENT

TO : SAC, CG  
FROM: SAC, NY (66-6989)

CG FIVE EIGHT TWO FOUR DASH S ASTERISK. NY SIX NINE FOUR DASH  
S ASTERISK ADVISED ON EVENING OF AUG. SIX, FIFTYEIGHT THAT AS  
OF THAT TIME [REDACTED] OFFICE WORKER AT CP HEADQUARTERS, NY,  
HAD ADVISED THAT EUGENE DENNIS HAD NOT YET FURNISHED HIS  
SUMMER ADDRESS TO CP NATIONAL OFFICE. FOR INFO.

b6  
b7C

V 1 - NY 134-91 (7-5)  
P 1 - NY 66-6989 (7-5)

DR:msb (7-0)  
(3)

1 - SUP. KEARNEY (7-5)

1410 TAN

OL

SAC

F B I

Date: 8/11/58

Transmit the following in \_\_\_\_\_  
(Type in plain text or code)

Via AIRTEL \_\_\_\_\_  
(Priority or Method of Mailing)

-----

TO: DIRECTOR, FBI (100-3-63)  
FROM: SAC, NEW YORK (100-74560)  
SUBJECT: CP, USA, FUNDS  
IS - C

Utmost care must be used in handling and reporting  
the following information in order to protect the identity of  
the informant.

On 8/11/58, NY 694-S\*, who has furnished reliable  
information in the past (conceal), orally furnished SA [redacted] b6  
[redacted] of the NYO information received by informant in a conversa- b7C  
tion with ROBERT THOMPSON on 8/8/58.

3 - BUREAU (100-3-63) (RM)  
3 - CHICAGO (100-33742) (CP, USA, Funds) (Info) (RM)  
(1 - 100-18001) (FRED FINE)  
(1 - 100- [redacted])  
1 - NY 134-91 (Inv) (7-5)  
1 - NY 100-128861 (CP, USA, Reserve Funds) (7-5)  
1 - NY 100-81752 (CP, USA, Compres) (7-1)  
1 - NY 100-27452 (ROBERT THOMPSON) (7-5)  
1 - NY 100-21421 (ALEXANDER TRACHTENBERG) (7-5)  
1 - NY 100- [redacted]  
1 - NY 100-16785 (JAMES JACKSON) (7-5)  
1 - NY 100-18618 [redacted] (12-15)  
1 - NY 100-50806 (GEORGE BLAKE CHARNEY) (7-5)  
1 - NY 100-63137 [redacted] (12-14)  
1 - NY 100-50990 (SID STEIN) (7-5)  
1 - NY 100-94477 [redacted] (7-6)  
1 - NY 100-50983 [redacted] (12-13)  
1 - NY 100-82571 [redacted] (12-13)  
1 - NY 100-87211 (CP, USA, Factionalism) (7-5)  
1 - NY 100-74560 (7-5)

b6  
b7C

DR:mfd (7-0)  
(23)

134-91-1411

SEARCHED	INDEXED
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AUG 12 1958	
FBI - NEW YORK	

#73

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b7C

NY 100-74560

Informant advised that among other things THOMPSON discussed various problems that the CP would have to face in the immediate future. THOMPSON stated that one of the problems would concern the return of the bail money from the Government as a result of the reversal on 8/4/58 of the conspiracy convictions of the 6 Communist leaders. THOMPSON pointed out that if the Government does not appeal this reversal, the bail money should be immediately returned to the sponsors who in this case are the wives of the defendants.

THOMPSON stated that the Party expected that [redacted] [redacted] sponsors for JAMES JACKSON and ALEXANDER TRACHTENBERG, would return the money to the Party without any question or problem. It was also expected, according to THOMPSON, that [redacted] of FRED FINE, would probably give the money back to the Party without any problem. However, THOMPSON pointed out that GEORGE BLAKE CHARNEY [redacted] SID STEIN [redacted] very possibly might not refund the money to the Party.

b6  
b7C

NY 694-S\* noted that he had previously determined from JIM JACKSON during the previous week that [redacted] had retained \$25,000 of Party funds which he stated was for his family in the event that he was convicted in his Smith Act trial. JACKSON stated it would be interesting now to see whether [redacted] would return the money to the Party inasmuch as the Smith Act conviction had been reversed.

b6  
b7C

THOMPSON further advised NY 694-S\* that the bail in the case of these defendants amounts to as little as \$5,000 in the case of TRACHTENBERG and as much as \$30,000 in the case of STEIN. He said that this money is all Party money and when the Party gets it back, and they will attempt to get as much as possible, they intend not to spend any part of it, but will put it away as a reserve for a future emergency.

NY 694-S\* commented in this regard that the Party will in all likelihood place the money in a safe deposit box and will not, as they have done in the past, invest it in real estate or businesses.

NY 100-74560

In talking to THOMPSON, NY 694-S\* further learned that the Party this week requires no funds and probably will not need any next week although they anticipate they will be running short by the end of the month. THOMPSON stated that around the end of the month monies should be coming in from the Districts which should take care of the financial needs of the Party at that time.



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8/11

F B I

Date: 8/12/58

Transmit the following in \_\_\_\_\_  
(Type in plain text or code)  
Via AIRTEL \_\_\_\_\_  
(Priority or Method of Mailing)

To : DIRECTOR, FBI (100-3-75)  
From : SAC, NEW YORK (100-80641)  
Subject: CP, USA - ORGANIZATION  
IS - C

UTMOST CARE MUST BE USED IN HANDLING AND REPORTING THE FOLLOWING INFORMATION TO PROTECT IDENTITY OF INFORMANT.

On 8/11/58, NY 694-S\*, who has furnished reliable information in the past (conceal), orally furnished information to SA [redacted] regarding an informal conversation informant had with ROBERT THOMPSON on 8/8/58.

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THOMPSON stated that among the good things, in his opinion, that had recently resulted within the CP, was that the State Committee meeting held in California apparently approved the recent reports submitted to the last CP, USA National Committee meeting. THOMPSON stated that DOROTHY HEALEY reported

3 - Bureau	(100-3-75)(RM)
1 - Chicago	(100-37741)(CP,USA - ORGANIZATION)(INFO)(RM)
2 - Los-Angeles	(100- ) (CP,USA - ORGANIZATION)(INFO)(RM)
- (1 - 100- )	(DOROTHY HEALEY)
1 - San Francisco	(100- ) (CP,USA - ORGANIZATION)(INFO)(RM)
2 - Seattle -	(100-127) [redacted] (INFO)(RM)
(1 - 100- )	(CP,USA - ORGANIZATION)
1 - NY 134-91	(INV)(7-5)
1 - NY 100-87211	(CP,USA - FACTIONALISM)(7-5) -
1 - NY 97-369	(PUBLISHERS NEW PRESS, INC)(7-1)
1 - NY 100-86624	(CP,USA - INTERNATIONAL RELATIONS)(7-5)
1 - NY 100-79717	(CP,USA - POLITICAL ACTIVITIES)(7-5)
1 - NY 100-128812	(CP,NYS - POLITICAL ACTIVITIES)(7-6)
1 - NY 100-23825	(BEN DAVIS)(7-5)
1 - NY 100-27452	(ROBERT THOMPSON)(7-5)
1 - NY 100-22864	(ADAM CLAYTON POWELL)
1 - NY 100-80641	(7-5)

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DR:msb (7-0)  
(19)

134-91-1412

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DAEP	

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NY 100-80641

to the Southern California State Committee meeting, held in late July, on the last National Committee meeting, and that HEALEY had lambasted the CP national leadership. THOMPSON stated that she did not succeed in her attempt to criticize the CP,USA national leadership and, in his opinion, she had received a serious defeat. He said that the three reports submitted to the last National Committee meeting were accepted by the Southern California District by a vote of 69 to 10 with some abstentions.

THOMPSON further stated that when HEALEY had quoted THOMPSON in attempting to ridicule him before the Southern California State Committee, her quotes of THOMPSON were actually applauded.

THOMPSON further stated that there was to be a meeting of some kind of the Northern California District Committee and [redacted] was to have made the report of the last National Committee meeting to the Northern California meeting. THOMPSON stated that at the last moment this meeting was postponed, and that the reason for the postponement, according to [redacted] was that they were not fully prepared for the meeting. THOMPSON commented that he was worried about this because this indicated that [redacted] may not have been sure he had a majority following in Northern California.

b6  
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In discussing other "good developments" within the Party, THOMPSON stated the Near East crisis is considered a "favorable situation" from the CP viewpoint, and it is already beginning to show positive results, as follows: (1) In the last two weeks, bundle orders for "The Worker" have increased by 1300 copies. (2) The CP leadership is happy because some districts are holding activities, such as meetings and forums, with the Near East issue as a focal point. (3) The sections are showing activity and life as a result of the Near East issue. "There is a stir down below in the rank and file."

Another good feature, according to THOMPSON, is the POWELL (ADAM CLAYTON POWELL, candidate for U. S. Representative)

NY 100-80641

campaign in Harlem in New York City. THOMPSON stated that BENJAMIN DAVIS was working closely with POWELL and they met together very amicably. THOMPSON commented that the Party expects POWELL will win the primary election and be reelected to the U. S. Congress "hands down" and considers the odds in this campaign five to one in favor of POWELL.

NY 694-S\* questioned THOMPSON on whether the CP would contribute any large sums of money to the POWELL campaign, knowing that in the past the CP had contributed heavily to candidates who met their approval. THOMPSON stated that they would be unable to contribute financially to the POWELL campaign, although they would furnish manpower in behalf of POWELL. He said the State Party at the present time is in no position financially to contribute.

THOMPSON commented that the campaign of BENJAMIN J. DAVIS to be elected to the State Senate is helping to draw the Party into mass activity in Harlem. He stated the Party is trying "very hard" to get the necessary signatures to place BENJAMIN J. DAVIS on the ballot. THOMPSON indicated that this campaign was also helping him to return to Party activity as a mass leader.

For information.



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SAC, NEW YORK (100-134637)

8/12/58

SA [redacted] (7-5)

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IS-C

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On 8/11/58, NY 694-S\* advised that on that date [redacted] at the CPUSA National Office, furnished him a letter which she had received at her home from EUGENE DENNIS, who is on vacation at Stonington, Maine.

The letter, referring to DENNIS' desire for further discussion with CG 5824-S\*, directed that [redacted] tell NY 694-S\* the following:

DENNIS requested three days notice by mail or telegraph of the informant's visit to him at Stonington. He suggested that if they should drive their own car, he could meet them either at the Stonington Post Office or at the Hancock Hotel at Bucksport, Maine. If they should decide to go by plane, he could meet them at the airport at Bangor, Maine.

NY 694-S\* requested that the above information be furnished telephonically to the Chicago Office for transmittal to CG 5824-S\* so that the latter might be aware of DENNIS' letter before NY 694-S\* should telephonically contact CG 5824-S\* on the evening of August 11th regarding this matter.

NY 694-S\* stated that if CG 5824-S\* should desire the NY informant to accompany him on the trip, NY 694-S\* suggested that CG 5824-S\* and he meet at Bangor, Maine, on Friday, August 15th.

ASAC NORMAN H. MC CABE furnished the above information telephonically to Inspector JOSEPH SIZOO of the Bureau on 8/11/58, and also to ASAC [redacted] of the Chicago Office on the same date. ASAC [redacted] agreed to furnish the Bureau and NY information regarding CG 5824-S\*' plans to go to Stonington, Maine, to visit EUGENE DENNIS.

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- 1 - NY 134-91 (Inv)(7-5)  
1 - NY 66-6989 (P&C)(7-5)  
1 - NY 100-134637 (7-5)

134-66-1413  
ACB

ACB:mfd  
(3)

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# 7-5

8/14

AIRTEL

Date: 8/12/58

TO : DIRECTOR, FBI (100-3-88)  
FROM : SAC, NEW YORK (100-87211)  
SUBJECT: CP, USA - FACTIONALISM  
IS - C  
CINAL

ReNYairtel 8/11/58.

[redacted] advised on 8/11/58 that a meeting of the NYS CP Waterfront Section was held at the residence of [redacted] on

[redacted] 8/8/58. The informant advised that one of the points discussed during the meeting was "the call to the conference" (the interstate conference planned for 8/16,17/58 in NYC).

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[redacted] during the course of the meeting read a long document entitled "The Call," which was a call or invitation to the Waterfront Section to attend the interstate meeting of "the caucus" to be held the week end of 8/16,17/58.

3 - Bureau (100-3-88) (RM)  
1 - Baltimore (Inf.) (RM)  
1 - Chicago (Inf.) (RM)  
1 - Cleveland (Inf.) (RM)  
1 - Detroit (Inf.) (RM)  
1 - Los Angeles (Inf.) (RM)  
1 - Philadelphia (Inf.) (RM)  
1 - Pittsburgh (Inf.) (RM)  
1 - San Francisco (Inf.) (RM)  
1 - New York [redacted] (Inv.) (7-6)  
1 - New York 100-86971 [redacted] (7-6)  
1 - New York 100-27452 (ROBERT THOMPSON) (7-5)  
① - New York 134-91 (Inv.) (7-5)  
1 - New York 100-87211

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b7D

JDW:mms  
(17)

134-91-1414

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AUG 13 1958	
FBI - NEW YORK	

[redacted]

#7-1

GCB

NY 100-87211

[redacted] mentioned that the conference of "the caucus" will probably be held at Estonian Hall, 125th Street and Lexington Avenue, NYC. He said that in the event there is a change in the place of meeting he will notify those present. [redacted] said that he would pass out the credentials for the meeting on Thursday night.

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NY-694-S\* on 8/12/58 advised he had learned from JAMES JACKSON on that date that the ultra-left has called for a national conference to be held in NYC this coming week end, 8/16,17/58. JACKSON said he had read of this in a document which was a call for a conference signed by [redacted] HARRY HAYWOOD. JACKSON told the informant that the other "brain" behind this conference is [redacted]. JACKSON stated, however, that [redacted] did not sign the document.

JACKSON told the informant that the place of the meeting for this conference will be given to the delegates at either HARRY HAYWOOD's home or [redacted] home. JACKSON further stated that this ultra-left conference was causing serious discussion among the leadership of the Party. He said that it has been discussed that [redacted] and HARRY HAYWOOD be expelled before this meeting takes place. He said that this matter of business, that is concerning expelling HAYWOOD and [redacted] would be discussed the afternoon of 8/12/58 at CP headquarters.

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JACKSON also told the informant that the "center" will cover the meeting of the ultra-left, by this informant stated JACKSON was inferring that the leadership would have an informant present at the ultra-left meeting. JACKSON stated that the situation is complicated since the expulsions continue to be of the ultra-left group. He said that this is food for the right-wing.

JACKSON also stated that ROBERT THOMPSON is of the opinion that the expulsions should take place and that

NY 100-87211

the decision will be made today, 8/12/58. Informant stated that he had been told by JACKSON that BEN DAVIS has not been consulted about this matter as yet nor has EUGENE DENNIS been informed of it inasmuch as he is on vacation.

Bureau will be advised of developments.



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8/13/58

AIRTEL

TO : DIRECTOR, FBI  
FROM : SAC, NEW YORK (100-48033)  
SUBJECT: IRVING POTASH  
IS - C

Re: Airtel to Bureau 8/8/58.

On 8/13/58 NY-694-S\* advised that on 8/12/58 ROBERT THOMPSON, CP, USA Organizational Secretary, stated that the CP will make every effort to prevent POTASH's transfer to the Fulton County Prison and his deportation from the USA. It is anticipated that POTASH's defense will be "an explosive deal." As an immediate legal maneuver, [REDACTED] POTASH [REDACTED] will apply for a temporary restraining order.

For information.

b6  
b7c



3 - Bureau (RM)  
1 - New York 100-27452 (ROBERT THOMPSON) (7-5)  
1 - New York 100-86158 (12-14)  
1 - New York 100-80641 (CP USA ORGANIZATION) (7-5)  
① - New York 134-91 (P & C Div.) (7-5)  
1 - New York 100-48033

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ACB ~~ACB~~  
(9)

134-91-1415

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AUG 13 1958	



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F B I

Date: 8/13/58

Transmit the following in \_\_\_\_\_  
(Plain or code)

Via AIRTEL \_\_\_\_\_  
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (100-310736)  
FROM: SAC, NEW YORK (100-85051)  
SUBJECT: MILTON HARRY FRIEDMAN, wa.  
IS - R

ReNYairtel to Bureau, 8/12/58.

NY 694-S\* advised SA [redacted] on 8/13/58,  
that in a conference on 8/12/58, with ROBERT THOMPSON, CPUSA  
Organizational Secretary, the latter mentioned the following:

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MILTON FRIEDMAN has returned from abroad, where he  
visited London, Brussels, and Prague. He had discussions with  
"the Chinese", as a result of which he was authorized to purchase  
books for the Chinese. He was "not happy about his trip to the  
eastern Socialist countries." (THOMPSON did not specify the  
cause of FRIEDMAN's unhappiness.)

FRANK COE has decided not to return to the United  
States. His successor in the China trade operation may be [redacted]  
[redacted] who is familiar with matters of interest to the Chinese.

b6  
b7C

5 - BUREAU (100-310736) (RM)  
(1 - 100-364447) { VIRGINIUS FRANK COE)  
(1 - 100- [redacted])  
1 - NY 134-91 (Inv) (7-5)  
1 - NY 100-42479 [redacted] (12-14)  
1 - NY 100-27452 { ROBERT THOMPSON (7-5)  
1 - NY 100-96438 [redacted] (7-5)  
1 - NY 100-94820 [redacted] (12-15)  
1 - NY 100-78633 { ISIDORE GIBBY NEEDLEMAN (6)  
1 - NY 100-96778 { VIRGINIUS FRANK COE (6)  
1 - NY 100-85051 (6)

b6  
b7C

ACB:mfd (7-5)  
(14)

134-91-1411

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SERIALIZED	FILED
AUG 14 1958	
FBI - NEW YORK	
[redacted]	[redacted]

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b7C

NY 100-85051

On 8/12/58, [redacted] reported a contact between NY 694-S\* and ISIDORE "GIBBY" NEEDLEMAN. The informant stated he was desirous of talking to FRANK COE, and NEEDLEMAN replied that COE was in London and would not return, and had arranged for his wife and child to join him in London. NEEDLEMAN then said that MILTON FRIEDMAN had spent five weeks "there" and that NEEDLEMAN would "get all the dope from MIIT." b7D

On 8/13/58, NY 694-S\* reported the conversation with NEEDLEMAN concerning COE as set out above. The informant further stated that he had asked NEEDLEMAN whether MILTON FRIEDMAN was related to [redacted] and that NEEDLEMAN said he thought there was a relationship, and would ask FRIEDMAN about it when he should see the latter.

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8/13/58

AIRTEL

TO: DIRECTOR, FBI (100-3-63)  
FROM: SAC, NEW YORK (100-74560)  
SUBJECT: CP, USA, FUNDS  
IS - C

ReNYairtel, 8/8/58, wherein it was set out that ALEXANDER TRACHTENBERG, on 8/7/58, made available to NY 694-S\* \$12,000 in currency which sum TRACHTENBERG specified the informant "launder" (exchange for other currency).

TRACHTENBERG advised NY 694-S\* that this money was for "the old man" (a possible reference to WILLIAM Z. FOSTER).

The serial numbers of the currency given to NY 694-S\* by ALEXANDER TRACHTENBERG have been compared with the known serial numbers of currency issued to Soviet establishments in NYC and Washington, D.C. It has been noted that one \$20 Federal Reserve Note, Series 1950, serial number E25396425A, was among the bills presented to the informant by TRACHTENBERG.

4 - BUREAU (100-3-63)(RM)  
(1 - 55-28939)(Russian Funds)  
1 - WFO (65- ) (Russian Funds)(Info)(RM)  
1 - NY 134-91 (Inv)(7-5)  
1 - NY 65-6315 (Russian Funds)(17)  
1 - NY 100-128861 (CP, USA, Reserve Funds)(7-5)  
1 - NY 100-21421 (ALEXANDER TRACHTENBERG)(7-5)  
1 - NY 100-74560 (7-5)

DR:mfd (7-0)  
(11)

1417

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 14 1958	
FBI - NEW YORK	
[Redacted]	

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ACB

NY 100-74560

In the case entitled "RUSSIAN FUNDS, MISCELLANEOUS INFORMATION CONCERNING" (Bufile 65-28939), the WFO advised by letter dated 10/13/52, that 100 \$20 bills were issued to the Soviet Embassy, Washington, D.C. on 9/12/52, by Riggs National Bank, Washington, D.C. These \$20 bills were numbered consecutively from E25396401A through E25396500A.

The above is set out for information purposes, it being noted that a \$20 bill delivered to the Soviet Embassy in 1952 was identical to a \$20 bill included in a volume of money that ALEXANDER TRACHTENBERG requested NY 694-S\* to launder on 8/7/58.



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SAC, New York (100-48033)

August 14, 1958

**Director, FBI (62-21381)**

**IRVING POTASH  
INTERNAL SECURITY - C**

Reurairtel August 3, 1958, setting forth the observations of NY 694-5 concerning the release of Lotash on August 26, 1958, and his expected arrest by INS.

It does not appear logical that further incarceration of Potash would in any way affect the security of NY 694-5 or cause Potash to question the activities of the informant in connection with his arrest. It also does not appear that any purpose would be served in having Potash released so that the informant could talk to him and resolve any doubts that may possibly remain in his mind. In this connection a review of Bufiles does not reflect that Potash has any doubts about the loyalty of NY 694-5 but on the contrary is convinced that the arrest was the result of an "accidental" identification by the arresting Agents.

In view of the above no steps will be taken by the Bureau to influence any action contemplated by INS upon the release of Potash from his present incarceration.

## Investigations

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8/14/58

AIRTEL

TO: DIRECTOR, FBI (100-340711)  
FROM: SAC, NEW YORK (134-91)  
SUBJECT: NY 694-S

ReDuairtel, 8/13/58, re EUGENE DENNIS, IS-C.

Informant advises he will leave NYC for Boston, 9:40 a.m., 8/15/58, via American Airlines, Flight 252, and arrive Boston 10:40 a.m. Per agreement with CO 5824-S, will meet latter in Boston, hire automobile, and both informants will proceed to Stonington, Maine, for conference with EUGENE DENNIS. Expects to return to NYC on 8/19/58. Boston requested to be extremely discreet in any investigative activity in area of DENNIS' residence.

[redacted]  
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3-Bureau (100-340711)(RM)  
1-Boston (RM)  
1-Chicago (134-46)(RM)  
1-NY (100-3057) (EUGENE DENNIS) (7-5)  
①NY 134-91 (P & C INVES) (7-5)

ABC:caaa  
(8)

JF 1-Supervisor, A.E.BRANDT #6

134-91-1419-85

8/22  
OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (105-31942)  
FROM : SAC, NEW YORK (100-118948)  
SUBJECT: [REDACTED] was.  
IS - R

DATE: 8/15/58

b6  
b7c

ReNYairtel, 8/6/58, and Bulet, 8/7/58.

Utmost care must be used in handling and reporting the following information in order to protect the identity of the informant.

On 8/6/58, NY 694-S\*, who has furnished reliable information in the past (conceal), orally furnished information to SA [REDACTED] of the NYO.

Informant advised that on the evening of 8/5/58, [REDACTED] visited NY 694-S\* at the latter's residence. Informant noted that [REDACTED] lives in the same neighborhood as NY 694-S.

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At the request of [REDACTED] NY 694-S\* and [REDACTED] went for a walk at which time informant related to [REDACTED] that he had, during the previous week, delivered [REDACTED] letter to [REDACTED] to the proper person who would see that it was delivered. [REDACTED] expressed his appreciation for the assistance of the informant. [REDACTED] stated that in July, 1958, he had received a letter from his brothers that was postmarked in July, 1958, in NYC, but the letter itself was dated April, 1958. [REDACTED] commented that he received a similar letter in the same way some months back.

6 - Bureau (105-31942)(RM)  
(1 - 65-62041)(SASH)  
(1 - 101-1384)  
(1 - 105-38306)  
(1 - 105-38307)  
4 - WFO (105-3464) [REDACTED] (Info)(RM)  
(1 - 105-12050)  
(1 - 105-12051)  
(1 - 101-1059)  
1 - NY 134-91 (Inv)(7-5)  
1 - NY 65-16441 (SASH)(6)  
1 - NY 105-11491 [REDACTED] (6)  
1 - NY 105-11563 [REDACTED] (6)  
1 - NY 100-78633 (LISTING GENEV NEEDLEMAN)(6)  
1 - NY 100-76231 [REDACTED] (6)  
1 - NY 100-111386 [REDACTED] (6)  
1 - NY 100-2089 [REDACTED] (6)  
1 - NY 100-124043 [REDACTED] (6)  
1 - NY 100-118948 (6)

b6  
b7c

134-91-0420

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
7-5 AUG 1 1958	
FBI - NEW YORK	

DR:mfd  
(20)

NY 100-118948

[redacted] pointed out that the letter contained no return address and although postmarked in NYC, it took two to three months from the time it was written before he received it.

[redacted] stated that they now are speculating, according to the latest letter from [redacted] that the brothers may be located in Moscow and are content and happy. [redacted] commented that the brothers had had a hard time of it when they were in East Germany inasmuch as they had commented in their letter that it was not as good as things are now. (It is noted that [redacted] has reported that [redacted] have speculated that the brothers might be in Kiev, Kharkov and the Ukraine as well as Moscow.)

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b7D

[redacted] stated he had a personal matter that he desired to take up directly with NY 694-S\*. [redacted] stated that he [redacted]

[redacted] applied for a US passport and got it. [redacted] stated that [redacted] would like to travel to Europe departing from the US on 9/14/58, and [redacted] desired information from the informant as to whether it would be possible for his sister-in-law to visit his brothers. (NY airtel dated 8/1/58, entitled [redacted] IS-R" set out information re [redacted] proposed trip to US and subsequent proposed departure from US for Israel.)

b6  
b7C

NY 694-S\* stated that he advised [redacted] that this was too short notice, that these things take a long time and patience is necessary and that at best informant did not believe it could be done by September. NY 694-S\* advised [redacted] that the Russians might possibly permit such a visit, but he suggested [redacted] should first talk the matter over with ISIDORE GIBBY NEEDLEMAN.

b6  
b7C

On the same topic, [redacted] questioned NY 694-S\* if it would be possible for he himself [redacted] to visit his brothers at some date in the distant future. [redacted] wondered if some arrangements could be made for him to actually visit his brothers. NY 694-S\* advised [redacted] that this was possible and also suggested that he discuss this matter with NEEDLEMAN. (NY 694-S\* will be instructed to avoid rendering assistance to [redacted] in their attempts to establish physical contact with the missing brothers as distinguished from rendering such assistance as he can in transmission of communications referred to in Bulet, 8/7/58.)

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NY 694-S\* at this point asked [REDACTED] "Are you a Party member", and [REDACTED] advised, "On paper no." [REDACTED] [REDACTED] stated he was advised in 1942, prior to the time he joined the Army, by ISIDORE NEEDLEMAN, that he should not join the CP openly or publicly. [REDACTED] stated that after the war NEEDLEMAN had again told him not to become openly associated with the CP and because of this reason he was not listed as a Party member. NY 694-S\* stated that in all likelihood, [REDACTED] [REDACTED] would have to have a sponsor if he was to visit Moscow.

b6  
b7c

At this point [REDACTED] questioned informant as to whether informant would like to see the letter that he had received from his brothers. NY 694-S\* said that if [REDACTED] did not mind he would be pleased to see the letter. (It is noted NY 694-S\* stated that he tried to express little interest in seeing the letter.)

At this point [REDACTED] took informant to his residence where [REDACTED] was present. Informant talked to [REDACTED] while [REDACTED] went to the bedroom and obtained the letter.

b6  
b7c

NY 694-S\*, on viewing the letter, determined that it contained two photographs. Informant stated that [REDACTED] identified [REDACTED] as appearing in one group and [REDACTED] as appearing in the second photograph. Also appearing in the photographs were the mother-in-law, wife and a child of one of the brothers which individuals informant was unable to further identify. Informant stated that the pictures were taken in a park and the individuals pictured in the photographs were seated on a bench, the only background being trees.

[REDACTED] exhibited to the informant typed copies of the letter that he said he planned to mail to [REDACTED] [REDACTED] in Mexico, and one that he planned to mail to his mother and father in Israel. He also had reproductions of the photograph to go with the copies of the letter.

b6  
b7c

NY 694-S\* stated that he read the letter and to the best of his recollection it stated that life was being very good to [REDACTED] and they were in good health. The letter

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said [redacted] has an important position in engineering research and [redacted] is doing scientific translation. The letter stated that the brothers were living very comfortably although the language barrier was still quite a problem. The letter set out that one problem that the brothers had met was that they made a mistake in selling their automobile in Germany. The letter said that they could afford to buy an automobile where they were, but at the place where they were it was necessary to wait three years for delivery.

b6  
b7C

[redacted] It is noted that the text of the letter from the [redacted] to which NY 694-S\* has made reference, together with the photographs, have been forwarded to the Bureau.

It is further noted that [redacted] confirmed [redacted] [redacted] departure from his residence on the evening of 8/5/58, and his subsequent return later that evening at which time he was accompanied by an unidentified man. Idle conversation of a general social nature was audible to the informant on their arrival. However, informant was unable to identify the [redacted] guest. Informant reported that [redacted] and his guest conversed at or near the door as the guest departed. However, the conversation at this point was not audible to the informant.

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Above for information. Bureau will be advised of additional pertinent information as received.

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